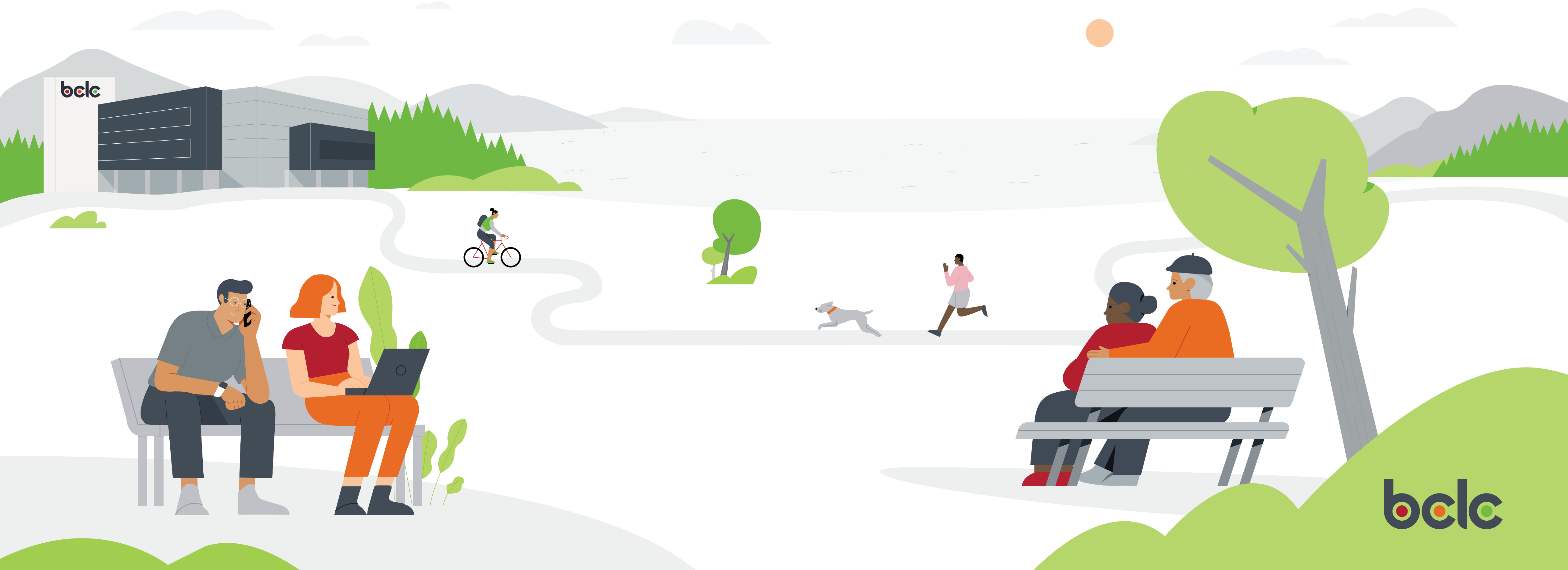


# BCLC Environmental, Social and Governance Report

2022



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The last several years of global events have more than ever revealed the importance of profoundly addressing the world's environmental, social and governance challenges. As this report demonstrates, BCLC is doubling down on our actions to generate win-wins for the greater good.

**Peter ter Weeme**

Chief Social Purpose Officer and Vice President,  
Player Experience

For questions about this report contact:

[consumerservices@bclc.com](mailto:consumerservices@bclc.com)

# Message from our Board and Management

Our world is changing at a record pace.

Companies have an opportunity and obligation to make a difference.

As an organization that has evolved many times over its 37-year history, BCLC took another leap and initiated the journey towards becoming a social purpose company.

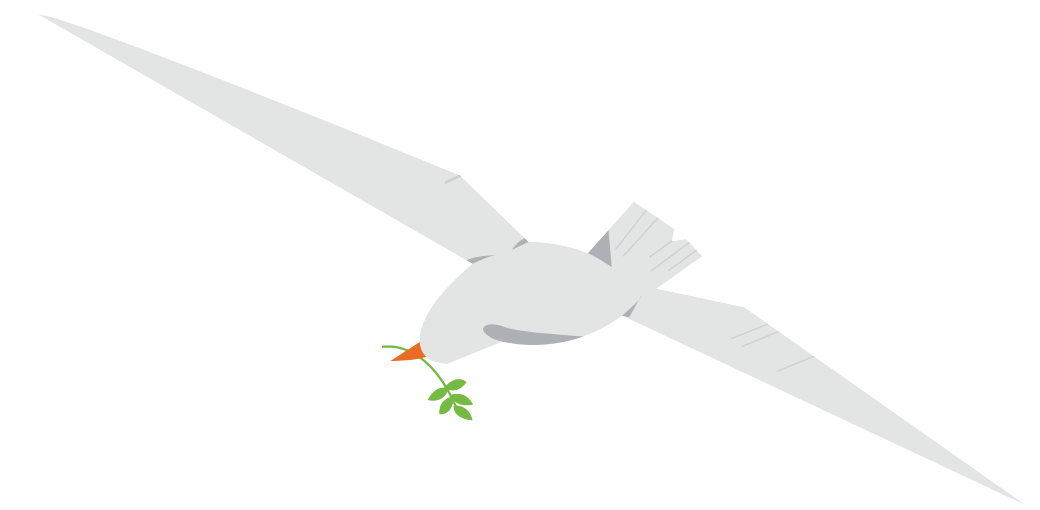
Our first step was to define the reason we exist, and in April 2021 the Board approved our social purpose: **BCLC exists to generate win-wins for the greater good.** By definition, a social purpose company is an engine for good, creating social benefits through the very act of conducting business. In becoming a social purpose company, we are not only able to better align our business decisions with our purpose, but more importantly, we are committing to doing our part in creating a better world.

Since we adopted our purpose, we have been seeking ways to further integrate social purpose into all that we do, which includes the development of our environmental, social and governance (ESG) Framework and Policy. This report will provide you with insight into our ESG journey, the steps we have taken thus far, what we have been able to measure and where we will focus our future ESG strategy and actions.

We are focused on key initiatives tied to becoming circular and an industry leader in addressing climate change; creating a positive social impact; and governing in the public interest.

Key initiatives include:

- Identifying opportunities to conserve energy and improve efficiency, while implementing low-carbon electrification opportunities to replace conventional fossil fuel consuming vehicles, equipment and building systems.
- Committing to implementing the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), preparing our inaugural report as part of this publication and developing a climate adaptation and mitigation strategy.
- Embarking on a multi-year plan to enhance sustainability and social purpose within the supply chain and goods and services procured.
- Activating our new five-year Player Health Strategy to further our substantial progress-to-date on addressing responsible gambling measures and tools.
- Continuing to advance our anti-money laundering (AML) efforts through additional monitoring and actions.
- Developing and running a program for Indigenous reconciliation with two facets—employee education and awareness (raising awareness among ourselves, within our network and operations; and calls to educate others) and forming meaningful relationships (including enhancing existing ones).



We would be remiss if we did not mention that our social purpose journey would not be possible without the active contributions of our stakeholders. This includes our employees and players (who are at the heart of everything we do), community partners, industry leaders and many others. To fully engage and have them actively participate in this process, BCLC is developing a new Stakeholder Engagement Framework that will ensure we continue to build goal-oriented, mutually beneficial relationships.

At BCLC, we recognize the significant tide of change that is reshaping the world. We are determined to leverage our strengths and capabilities to make a positive difference for our communities, our province and our planet.

Sincerely,



**Greg Moore**  
Board Chair



**Pat Davis**  
President and CEO

## BCLC: Who we are

**BCLC is a social purpose gambling entertainment company committed to delivering win-wins for the greater good. This is why we exist, and the lens through which we operate every day.**

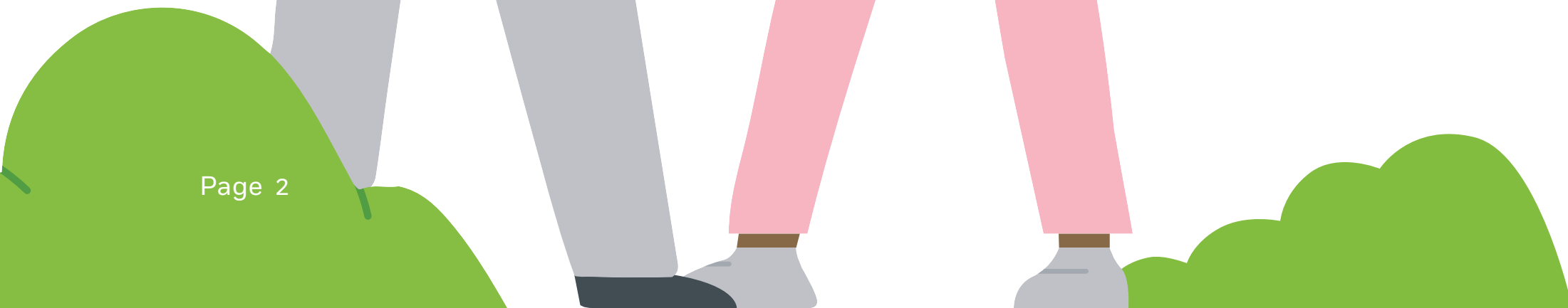
The Government of British Columbia created BCLC as a Crown corporation in 1985 to responsibly conduct and manage gambling for the benefit of British Columbians. BCLC conducts and manages commercial lottery, casino, sports and bingo gambling through multiple distribution channels.

Private-sector service providers operate 37 gambling facilities across B.C. through operational service agreements with BCLC. National and provincial lottery and sports betting products are sold at approximately 3,500 retail locations, operated by private-sector retailers. PlayNow.com is BCLC's secure and regulated online and mobile channel, with a growing portfolio of lottery games, sports betting, slots, table games and bingo entertainment.

More broadly, we generate meaningful revenue that empowers BCLC to contribute more than \$1 billion back into the province every year.<sup>1</sup> By providing innovative and exciting lottery, casino and sports gambling experiences for our players, we unlock capital which helps the communities in our province to grow and flourish.

Our head office is located in Kamloops, with a secondary office in Vancouver. We employ approximately 1,150 employees in our offices and across the province.

<sup>1</sup> In years where casinos have remained open.



## About this report

At BCLC, we hold ourselves accountable to our social purpose in all that we do. This environmental, social and governance (ESG) report draws on the ESG-related performance highlights and management approach for BCLC's 2021/22 fiscal year (April 1, 2021–March 31, 2022), and covers our operations in British Columbia.

All data within this report spans the reporting period, aside from performance data related to energy, greenhouse gas (GHG) emissions and waste (which covers the 2021 calendar year to align with the reporting requirements for our Climate Change Accountability Report and Recycle B.C.—separate reporting mechanisms followed as required by the provincial government).

This report has been prepared with reference to the Global Reporting Initiative (GRI) standards, Sustainability Accounting Standards Board (SASB) Casinos and Gaming standard and the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).

In the future, we plan to transition to a new integrated reporting framework that blends ESG metrics with figures reflecting our financial and community impact. Transitioning to this format enables us to align with the convergence of global reporting tools, as well as the recommendations of the TCFD. This new reporting structure will better communicate BCLC's overall performance and clearly demonstrate the cumulative value we're creating for stakeholders over time.

**Today, this report represents an important mile marker on BCLC's journey to fostering the greater good, provincewide.**



# BCLC's journey to social purpose

Social purpose companies exist to create a better world, setting strategic goals which are deliberate and deliver on the stated purpose.

At BCLC, we've always stood for the greater good. This principle has figured prominently at the heart of operations since our inception. In 2019, based on direction received from our Board, we began the process of formally uncovering and articulating our social purpose for the very first time.

From September 2020 through to March 2021, BCLC facilitated purpose-focused stakeholder sessions, engaged in consultations and interviews, and worked to identify and narrow down potential purpose themes which informed our social purpose narrative and final social purpose. Then, in March 2021, BCLC introduced our social purpose: **we exist to generate win-wins for the greater good.**

This social purpose includes all our players, as well as the:

- Role we have in supporting the provincial budget;
- Province's ability to sustain the resources and resilience of B.C. communities;
- Impact game designs have on players;
- Relationships our employees and suppliers have with one another and within their communities;
- Role our customers can play in amplifying our purpose; and
- Influence we have with others engaged in state-sponsored gambling around the world.

In our transition to becoming a social purpose organization, we are deepening our connection, commitment and support for B.C.'s communities. This is how we are ensuring that BCLC becomes an even stronger force for good. With our social purpose defined, we look at our decisions and their impact through our social purpose lens. And we reinforce these efforts with robust governance and accountability frameworks at the Board, executive and employee levels so every decision is made with the intention of positively contributing to the progress of our society.

Collectively, this is how we're building on three decades of momentum to unleash a clear and compelling rallying cry for the years ahead.

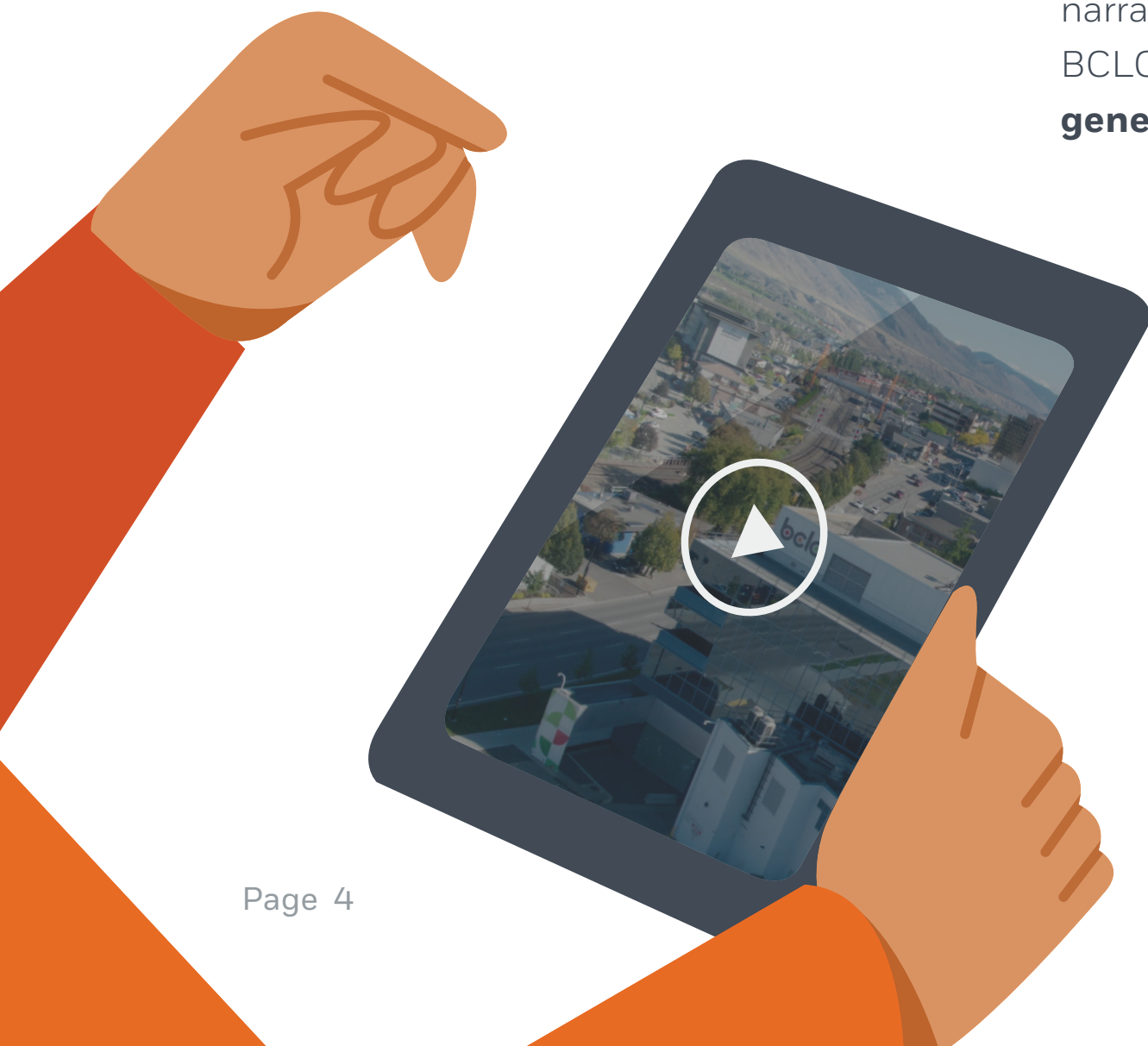
**PURPOSE** We exist to generate win-wins for the greater good.

**VISION** We deliver exceptional gambling entertainment.

**VALUES** Integrity  
The games we offer and the ways we conduct business are fair, honest, transparent and trustworthy.

**Respect**  
We treat all people with dignity and value diverse perspectives.

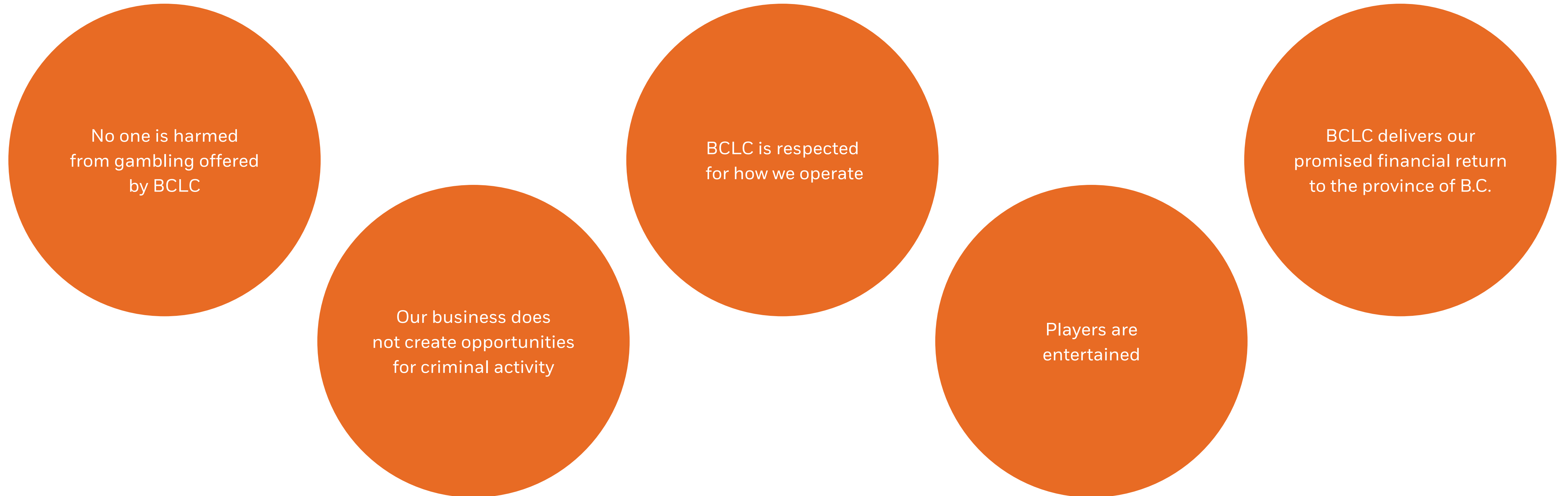
**Community**  
We create a positive impact for people and the planet.



Click the tablet to learn more about our social purpose.

Our corporate strategy guides decisions that advance our purpose and create a more player-centric and competitive company—one that ensures we achieve responsible, purpose-driven growth based on healthy play.

**Our strategy integrates five goals:**



In 2023, we will update our vision and corporate strategy to better reflect our social purpose ambitions.

## SOCIAL PURPOSE IN ACTION

Since adopting our social purpose in 2021, we actively worked to integrate this thinking across the fabric of our organization. We have taken a comprehensive approach that covers internal and external aspects of our operations and relationships: from employee experience and purchasing policies to player experience and products.

Since undergoing staff workshops on social purpose in 2022, 87 per cent of staff have become knowledgeable about social purpose and 74 per cent feel aligned with BCLC's social purpose. BCLC will continue to measure and integrate social purpose within the organization in the months and years ahead.

## ESG CONTEXT

Our journey to embedding social purpose within the organization is, and will be, done in alignment with ESG context. This helps us guide business decisions and create positive outcomes for our employees, customers, stakeholders and the community at large.

We are taking a phased approach to elevating the role of ESG within this transition:

**STAGE 1**  
FY22 **Fostering employee engagement and understanding.**

**STAGE 2**  
FY23 **Embedding social purpose into our products and operations.**

**STAGE 3**  
FY24 and beyond **Cascading social purpose throughout our operational value chain (upstream and downstream) to catalyze broader systems change.**





In light of this journey, this year BCLC initiated the development of internal documents to guide ESG management and integration—  
The ESG Framework and ESG Policy:



### ESG FRAMEWORK

Outlines how we will contribute to our social purpose by working towards three high-level goals covering areas where we can make the most significant impact. Each goal is supported by tactical actions that will be prioritized in the near term. In the future, we will identify stakeholder-informed key performance indicators (KPIs) and set targets to further drive the implementation and measure progress. **By 2030, our objectives are to...**



#### Become an industry leader in addressing climate change and furthering the circular economy

- Become a climate leader.
- Become a zero-waste business.
- Exceed industry benchmarks for sustainable procurement.



#### Create a positive social impact

- Maintain an environment where our players gamble for good and influence the global gambling industry to adopt our goal that no player is harmed by gambling.
- Maintain a workplace where our employees have meaningful work and healthy work lives.
- Deepen our connection, commitment and support for B.C.'s communities, positioning BCLC as a stronger force for good.



#### Govern in the public interest

- Decolonialize BCLC's operations and foster equitable relationships.
- Leverage our influence, reach and scale to inspire the global gambling industry to become a force for good.
- Build transformational relationships with stakeholders and embed ESG across the business.



### ESG POLICY

Describes how BCLC will integrate ESG principles in the conduct of its business, in ways that align to and advance the social purpose. The Policy defines the required components of an ESG management system with associated accountabilities.

**Adopting an ESG Framework and ESG Policy empowers BCLC to create more equitable and positive outcomes that help deliver on our social purpose mandate—all while driving long-term value for the company and our stakeholders.**

Next year, we will update our corporate vision. Once that vision is approved by the Board and the executive, we will finalize the ESG Framework and Policy accordingly. For now, these constitute interim guiding principles. Notably, we chose to call this a framework — not a strategy — because we have one corporate strategy with integrated ESG goals, targets and metrics. The framework complements this strategy, layering in the actions we'll take to deliver on it from here on out.

## GOVERNANCE OF ESG AND SOCIAL PURPOSE

BCLC's President and CEO and executive team are responsible for the day-to-day operation of BCLC. A Board of Directors of up to 11 members (appointed by government) oversees the corporation. BCLC's Board reports to the Minister of Finance and the Crown Agencies Secretariat, and works with the leadership team to support effective communication and alignment with government priorities.

As part of its terms of reference, the Governance and Social Purpose Committee of the Board oversees the development and implementation of an effective approach to corporate governance. This approach enables BCLC to fulfil its purpose, attain strategic goals and serve the public interest mandate established by the Government of British Columbia.

The Gaming Policy and Enforcement Branch, which reports to the Ministry of Public Safety and Solicitor General, is responsible for the overall integrity of gambling and horse racing in British Columbia, including regulation of BCLC.

For more information, see committee mandates, including the terms of reference for our Board committees on our corporate website.

[LEARN MORE](#)

BCLC reports to government via an annual service plan report and statements of financial information.

## ESG INTEGRATION AND RISK MANAGEMENT

Effective oversight of ESG requires a deep understanding of the risks and opportunities BCLC faces. Building off the learnings from a climate change risk assessment completed in FY 2023 (as covered in our [Climate Change section](#)), BCLC aims to conduct a risk and opportunity assessment across other ESG topics. This will help us understand the related risks and opportunities we face across the organization. We expect to begin this assessment in 2023.

Building momentum through ongoing action.

## MILESTONES

### POLICIES AND STRATEGIC INITIATIVES

- Sustainable Procurement Policy
- Diversity, Inclusion and Belonging Policy
- Employee Experience Roadmap
- Stakeholder Engagement Framework
- ESG Framework
- ESG Policy

### PROGRAMS

#### United Way Social Purpose Institute Implementers Program

This unique, year-long program was developed to help businesses identify steps to fully implement and live their purpose.

#### Indigenous reconciliation internal and external initiatives

Through integrated efforts to decolonize our operations, foster and improve relationships with all Indigenous peoples of B.C., build awareness through employee resource groups and more, we are playing an active role in furthering reconciliation.

For more, see the [Governance section](#) of this report.

### SPONSORSHIPS

#### Spread the Local Love and Love Local B.C.

These fundraisers generated capital for local food banks while also driving support for local businesses.

#### The Kamloops Film Festival (KFF)

Presented by BCLC, this festival included three social and environmentally themed films, followed by a sustainability panel of climate change experts and academics, as well as filmmakers and producers of select sustainability films.

### AWARDS

#### Corporate Knights

Platinum rating for BCLC's social purpose statement and implementation.

#### Canadian HR Reporter

Leading Diversity and Inclusion Employer's Award.

#### ERG North America Awards

Gold and First Place ranking in the Diversity and Inclusion Model category.

#### Human Resources Director Canada

5-Star designation.

#### Canadian Public Relations Society

Best Social Responsibility Campaign (Spread the Local Love).  
Best Use of Media Relations (GameSense Advisor Expansion and Completion).

#### PR Moment ESG Awards

Best Charity Partnership of the Year (Spread the Local Love).

# Becoming an industry leader in addressing climate change and furthering the circular economy



Climate change affects us all. At BCLC, we recognize the profound importance of doing everything we can to safeguard the planet and curb the negative impacts of climate change.

Doing so is also fundamental to managing business risks and seizing industry opportunities effectively. Forest fires, flooding and extreme temperatures pose compound threats to health, security and economic stability in B.C. and beyond. We've centred climate prominently at the core of our social purpose, business strategy and comprehensive efforts to align operations with the CleanBC climate plan.



## Climate change

Become a climate leader.

We are committed to ensuring that our business operations align with and exceed the Government of British Columbia's CleanBC\* climate plan, including targets and strategies for reducing greenhouse gas (GHG) emissions, and moving towards a low-carbon economy.

To support our alignment efforts, we hired a sustainability innovation manager. In this role, the manager is:

- Developing long-term strategies to reduce GHG emissions;
- Ensuring that BCLC is progressively reducing its overall environmental footprint; and
- Identifying innovative ESG practices that build business value.

We also conducted a climate change risk assessment, which will inform a future climate change strategy. Details can be found in the [Climate Change Risk Management](#) section.

On a regular basis, the Green Committee, a grassroots, employee-led initiative, rallies BCLC stakeholders to make a planet-positive impact through awareness events, commuting challenges and other initiatives that create lasting change for the environment.

\*For more information on B.C.'s CleanBC climate plan, refer to: [cleanbc.gov.bc.ca](https://cleanbc.gov.bc.ca)

## BUILDINGS AND AIR QUALITY

Similar to other organizations in B.C., 80 to 90 per cent of BCLC’s Scope 1 emissions (direct GHG emissions that occur from sources that are controlled or owned by an organization) are attributed to energy used to heat and cool our buildings. To reduce overall emissions, we are exploring a potential renovation of BCLC’s Kamloops headquarters. The renovation could incorporate geothermal and solar applications, installing energy-efficient LED lighting and improving the envelope of the facility.

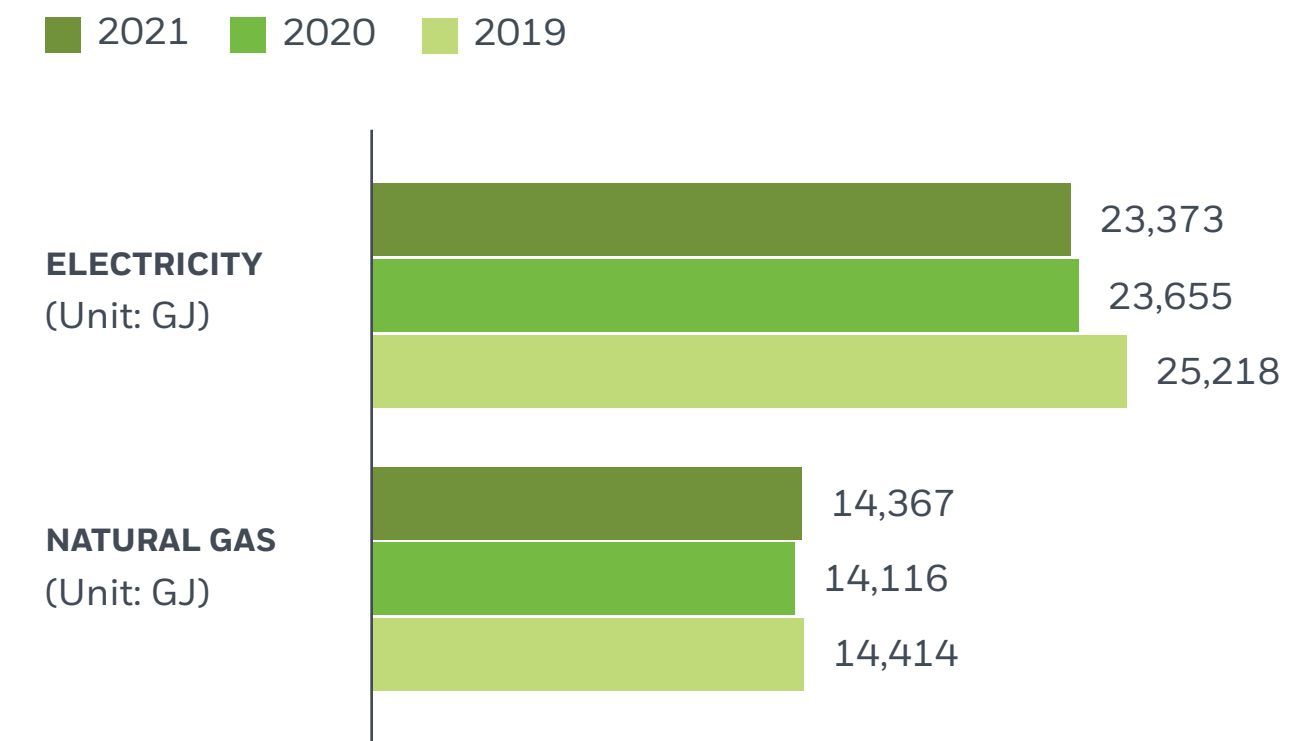
While preparing for this facility modernization program, we are simultaneously seeking other ways to measure and manage our energy and associated emissions. In August 2021, BCLC enrolled in B.C. Hydro’s Energy Management (EM) Program. Through this initiative, we have focused on:

- Conserving energy and improving efficiency, while implementing low-carbon electrification opportunities (such as building and heating efficiencies);
- Increasing digitization and reducing paper use; and
- Electrifying our vehicle fleet.

Through the EM Program, BCLC also gains access to training and large incentives for building retrofits and electrification projects.

**In 2021, BCLC used seven per cent less energy compared to 2019 and 0.5 per cent less compared to 2020—as many employees continued to adopt a hybrid working model over the course of the year. For more, see the [Remote Work](#) section.**

### Energy consumption performance data



Reporting period: Energy data is applicable for the calendar year (January – December). For a full breakdown of energy data, as well as emissions data, please see the [Appendix](#).

## TRANSPORTATION

Electrifying our vehicle fleet proactively keeps the fleet updated while offering our people state-of-the-art transportation that is safe and efficient. At the end of 2021, BCLC’s fleet consisted of 11 vehicles for both regular and executive services. In 2022, we added two new electric vehicles (EVs) to the fleet. Over time, BCLC aims to replace all internal combustion engine vehicles with low-carbon options, or EVs.

Beyond our vehicle fleet, we are also exploring options to support low-carbon commuting options for our employees. This year, we introduced a program for employees to purchase E-bikes; a quick, convenient and affordable alternative to commuting.

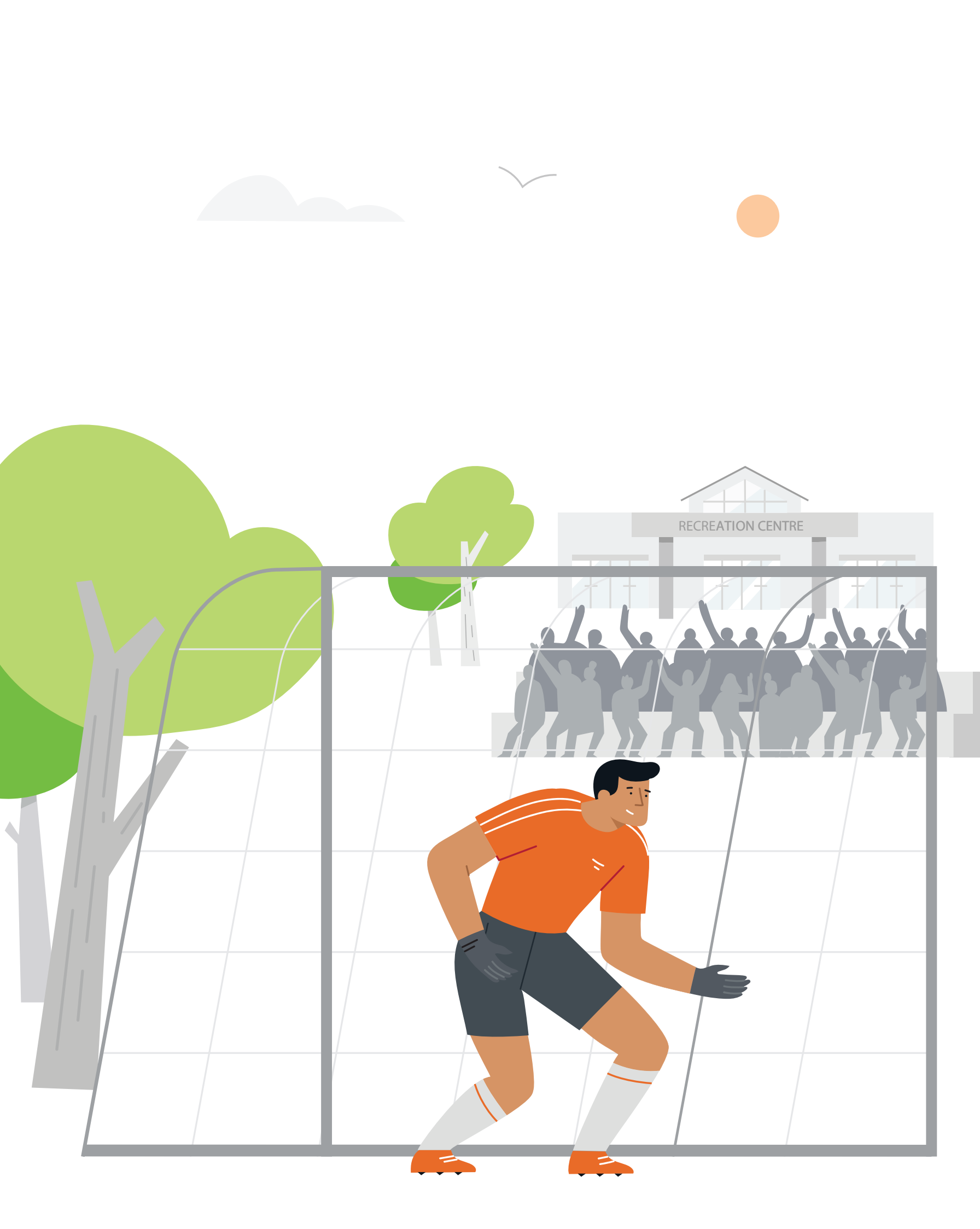
Through this initiative, employees can obtain interest-free loans of up to \$3,000 for the purchase of an E-bike, paid back via payroll deductions.

**BCLC will continue to explore new avenues to reduce corporate emissions, including reducing and offsetting corporate air travel.**

### Transportation performance data

TRANSPORTATION	UNIT	2021
<b>TOTAL VEHICLES</b>	No.	11
<b>ELECTRIC AND LOW EMISSION VEHICLES</b>	No.	5
<b>EMISSIONS FROM FLEET FUEL</b>	tCO <sub>2</sub> e	18

Reporting period: Transportation data is applicable for the full calendar year (January – December).



## CLIMATE CHANGE RISK MANAGEMENT

Climate change poses unknown risks and opportunities for organizations, including BCLC. As we move forward as a social purpose company and continue to define our environmental, social and governance (ESG) priorities, it is increasingly important that we understand our climate change exposure, as well as the ways we can make an impact.

As the Canadian government is requiring large, federal Crown corporations to prepare climate-related financial disclosures, we see a leadership opportunity emerging. This is a chance for BCLC to anticipate, prepare for and report on our climate risks, and implement the recommendations of the Task Force on Climate-Related Disclosures (TCFD).

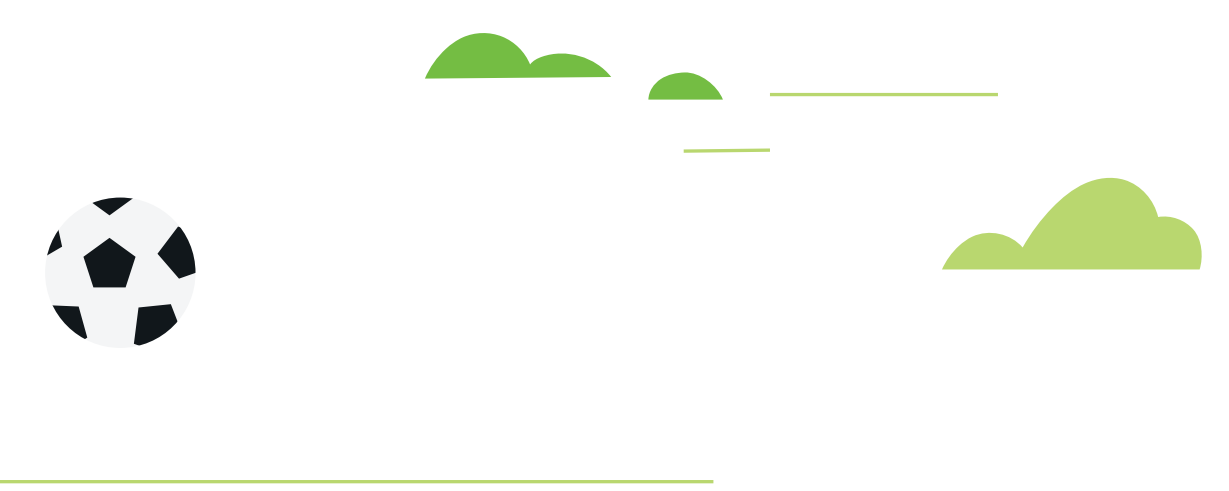
The TCFD recommendations were developed to help organizations disclose their governance, strategy, risk management, and metrics and targets related to climate change. The recommendations are now being adopted by governments and securities regulators globally as a means to assess and respond to the global risk of climate change on society and the economic system. This ESG report, which includes disclosures aligned to the TCFD recommendations, is one step in our climate change journey. We expect to provide more detail in the coming years as our climate governance and strategy matures.

## CLIMATE CHANGE GOVERNANCE

The Governance and Social Purpose Committee of the Board has oversight over ESG matters, including climate change. As part of its oversight responsibilities, the committee holds management accountable for delivering on ESG and climate change goals.

Accountability for the implementation of the ESG Framework (including climate governance) rests with BCLC’s chief social purpose officer. The director, social purpose and community and stakeholder engagement, supported by the manager of sustainability innovation, are responsible for the rollout of this Framework across the business. Specific to climate change, their responsibilities include climate change action planning and implementation, focused on both climate mitigation (reducing BCLC’s GHG emissions) and adaptation (preparing for and taking actions to reduce climate impacts).

To further accelerate integration of ESG considerations (including climate change) into our operating model, we plan to establish an ESG working group. Responsibilities of this group will include ensuring that our operating model, employees and financial planning are climate resilient.



**CLIMATE CHANGE STRATEGY**

BCLC carried out a climate change risk assessment this year, which included scenario analysis to provide a more comprehensive understanding of current and future climate-related risks and opportunities. Because climate change is expected to create different impacts over time, we explored physical and transition risks through the lens of short-, medium- and long-term horizons. The longer term view considered three scenarios:

- **Deep decarbonization:** sees the global energy sector reach net zero emissions by 2050 and keeps global surface temperature increase to 1.8 degrees, in line with the ambitions of the COP26 Commitments\*.
- **Insufficient global action:** reflects current policies, presenting an intermediate scenario where the global surface temperature would increase to 2.6 degrees by 2100.
- **Global meltdown:** follows the notion that the world continues along its present path of ‘business as usual’ resulting in a global surface temperature increase of over 4.4 degrees by 2100.

The climate change risk assessment noted that under a high-emissions scenario, BCLC may experience physical risks, such as extreme weather events (e.g., wildfires, floods, landslides, heatwaves and coastal storm surge). If not properly mitigated, these threats could potentially interrupt business continuity, and lead to financial loss for BCLC over the short-, medium- and long-term. Financial disruptions may also occur with our supply chain, offices, operations, people, product storage, player health and our social purpose mandate. Examples of disruptions include transportation blockages, inaccessibility of utilities, employee displacement and shifts in customer behaviour. In the future, we will work with our internal teams to quantify the financial impacts of these risks.

\*A warming of 1.8 degrees is likely overly optimistic, given the latest COP26 commitments.\* The IEA now estimates that, if these targets are met on time, the world would be on course for a 1.8 degrees global temperature rise by the end of the century. Others put the trajectory at a slightly different number, most notably Climate Resource claiming the pledges would lead to 1.9 degrees of warming, and the Climate Action Tracker (CAT) published new analysis during COP26, stating that they are likely to result in 2.4 degrees of warming.

That said, in an accelerated global transition to a low-carbon economy (a low-emissions scenario), BCLC may experience the impacts of transition risks, such as enhanced regulatory pressure and higher costs with potential impacts relating to our reputation, operating costs and/or regulatory fines. Moving forward, as part of the corporate strategic planning process in the next fiscal year, we are planning to develop specific and prioritized treatment strategies to mitigate the following climate-related risks:

**Physical risks (i.e., risks created from a changing climate):**

1. Extreme weather events, such as forest fires, heat waves, flooding, landslides and coastal storm surges;
2. Sea level rise; and
3. Water shortages.

**Transition risks (i.e., risks created by the world’s transition to a low-carbon economy as a result of carbon policy changes):**

1. Emerging regulations related to emissions reduction;
2. Stricter climate risk reporting standards;
3. Increase in carbon prices and cost of imports;
4. Increasing pressure to adopt clean technologies; and
5. Consumers moving away from traditional gambling offerings.

**The assessment also uncovered various opportunities to strengthen BCLC’s position as a social purpose company. The analysis revealed new ways to demonstrate leadership by:**



We also see specific strategies that will enable BCLC to capitalize on the opportunities presented by climate change.

## CLIMATE CHANGE RISK MANAGEMENT

BCLC’s approach to risk management is guided by the provincial risk management guidelines and is aligned with the International Standards Objectives 31000:201—Principles and Guidelines (the Standard).\*

The climate change risk assessment was performed in accordance with the Standard that sets out the process to identify, analyze and evaluate risk, and was informed by the TCFD recommendations. As part of the assessment process, risks were considered in terms of their impact and the likelihood of the risk occurring within a specified time horizon. The results of the assessment provided a prioritized list of risks to focus the organization on the treatment of risks in terms of their risk level and proximity.

As risks evolve over time, BCLC continuously monitors and periodically reassesses its risks to ensure identified risks remain relevant, mitigation strategies are effective, and new and emerging risks are identified. Looking forward, BCLC will be advancing its corporate risk impact criteria to incorporate climate change metrics into its matrix.

## CLIMATE CHANGE METRICS AND TARGETS

Through the *Canadian Net-Zero Emissions Accountability Act* and other legislative measures, the Canadian government has committed to reducing GHG emissions by 40 to 45 per cent by 2030. Similarly, in B.C., the provincial government has set a commitment to reduce GHG emissions by 40 per cent by 2030 and 80 per cent by 2050. These climate change targets are specifically identified in ministry, agency and Crown corporation mandate letters.

At BCLC, we have clearly and publicly declared our commitment to meet and exceed provincial climate targets, align with social justice and equity practices, and establish ourselves as a key provincial climate change leader, including:

- Reduce Scope 1 and Scope 2 GHG emissions by 50 per cent between now and 2025 (over 2016 levels); and
- Set further GHG emission reduction targets beyond 2025 (this includes exploring setting targets in line with the Science-Based Targets initiative, SBTi\*\*) and develop a long-term, net-zero plan, including conducting a materiality screening\*\*\* of Scope 3 emission categories.

\* Canadian Standard Association – Organization for Standardization (ISO) International Standard 31000:2018.

\*\* The Science-Based Targets initiative provides a clearly-defined pathway for organizations to reduce GHG emissions. Targets are considered ‘science-based’ if they are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement - limiting global warming to 1.5°C above pre-industrial levels.

\*\*\* The process of mapping the materiality of all scope 3 emissions categories in the context of BCLC’s value chain. The screening includes analysis of emissions from the casinos operated by BCLC’s service providers.





# Circular economy

## Become a zero-waste business.

**Circular economy strategies can transform our impact on the world. At BCLC, we are investing to further the circular economy. That means working to ensure everything we design, create and produce ultimately moves us closer to becoming a zero-waste business.**

We see the multitude of ways that climate change and resource scarcity are worsening as populations rise, and demand for material goods and natural resources grows. We are embracing the Government of British Columbia’s provincial waste disposal targets accordingly. A circular business model represents one more way BCLC can improve resource efficiency, enhance resiliency and protect against future resource constraints and regulations.

To achieve these goals, we’ve developed new commitments, policies and ways of working. And we’ve started measuring our progress on these fronts to understand where we stand, and where we hope to go from here.



## WASTE MANAGEMENT

BCLC is committed to reducing our waste. This entails looking across our operations and within our products to identify opportunities to enhance circularity. Key examples from the last year include doubling down to:

### **ELIMINATE** Reducing paper use in offices.

While paper use has increased since 2020, it remains at about 50 per cent of historical usage. Decreases in paper use can be largely attributed to hybrid working arrangements as a result of COVID-19 (i.e., digitizing historically analog processes, like document signing).

### **CIRCULATE** Identifying a second life for E-waste.

At end-of-life for our electronic equipment (such as laptops and printers), we use third-party vendors to find new purpose for refurbished equipment.

### **REGENERATE** Supplying organic waste to local farmers.

In Kamloops, we work with a member of the local community who collects our organic waste for composting.

As a registered B.C. Environmental Product Steward, we submit reports to Recycle B.C. each year, detailing the amount of paper sold such as lottery and Scratch & Win tickets, in addition to other paper and packaging materials used by our business. The fees, paid through this extended producer responsibility scheme, help fund downstream waste management and recycling programs.

In the future, we will look more broadly at our waste avoidance and diversion strategies. For example, developing and implementing waste guidelines for construction and renovation projects, as well as identifying opportunities to reduce natural resource use in operations (and collaboratively with suppliers across our value chain).

# Sustainable procurement

Exceed industry benchmarks for sustainable procurement.

Supply chains represent endless opportunities to drive positive change. Across BCLC, we're employing our purchasing power to influence broader systemic change. From sustainable purchasing policies to stronger relationships with suppliers and service providers: we're creating and implementing the tools needed to deliver on our social purpose through our market interactions.

## SOCIAL PURPOSE AND SUSTAINABLE PROCUREMENT

BCLC recognizes the environmental and social impacts of our procurement activities and the importance of addressing these impacts throughout our entire supply chain.

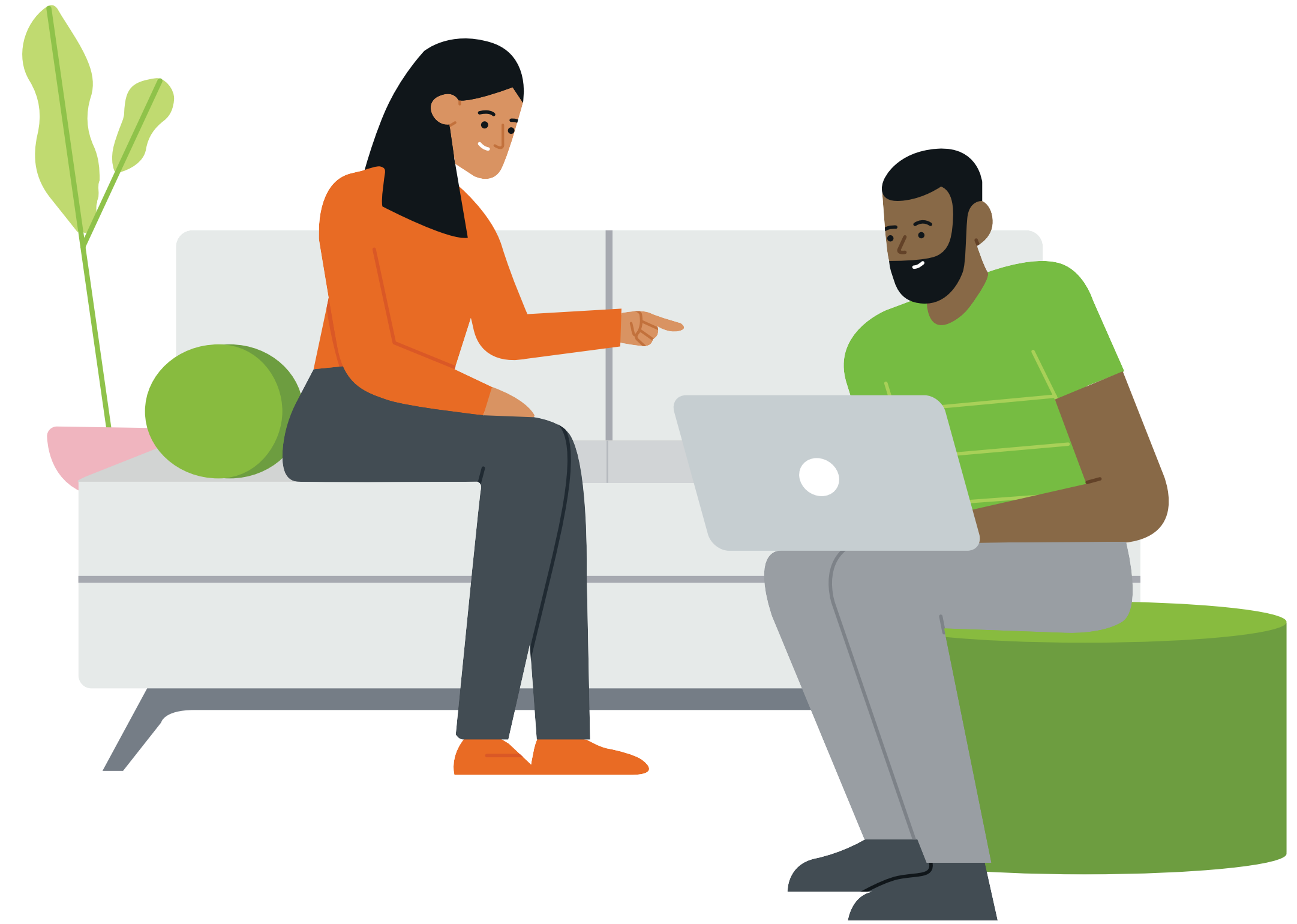
In 2021, our strategic sourcing team began developing a multi-year program to integrate and enhance social purpose and ESG into procurement by benchmarking our current procurement practices to identify strengths, gaps and recent success stories.

To action the program, BCLC hired a senior specialist of social purpose and sustainable procurement. This specialist now focuses full-time on enabling the success of social purpose, sustainable procurement and ESG procurement goals and objectives at an organizational level.

## SUPPLIER CODE OF CONDUCT

The BCLC Supplier Code of Conduct sets out the minimum standards for our suppliers and their subcontractors/suppliers to promote safe and healthy workplaces, basic fair labour practices and environmental responsibility. This touches on the way we treat people (i.e., no forced labour, minimum employment age, non-discriminatory practices) and health/safety policies right through to what it means to be environmentally responsible.

BCLC expects our suppliers to have business practices, operations and processes that meet basic social and environmental standards. As part of the competitive bid process, proponents will now be required to declare compliance with the Code of Conduct. In the future, we will introduce the Code of Conduct into existing and new BCLC supplier contracts.



## SOCIAL PURPOSE AND SUSTAINABLE PROCUREMENT POLICY

The Social Purpose and Sustainable Procurement Policy embeds BCLC's social purpose and sustainability into all procurement activities. It also defines guiding principles for supporting this commitment. This includes considering sustainability-related impacts and prioritizing collaboration with existing suppliers to promote social purpose; influencing sustainability and innovation across our supply chains; and aiming for continuous progress as BCLC and our suppliers grow and learn in this space.



### SUSTAINABLE TOOLKIT

The sustainable toolkit includes fact sheets for catering, accommodations, moving relocation, IT hardware and software purchases that help to guide better choices and incorporate social purpose and sustainable considerations within the sourcing process.

The toolkit includes an ESG evaluation lens that considers GHG emissions, energy use, waste reduction, water use, pollution prevention and toxin management, resource use and impact on biodiversity, diversity, equity and inclusion, workforce development, Indigenous reconciliation, and ethical compliance as it relates to commonly purchased goods and services.

### COMPETITIVE BID PROCESS

The procurement team is also working with internal stakeholders and identifying opportunities that help to enhance sustainability of the supply chain through the competitive bid process.

Through committed collaboration with the Canadian Collaboration for Sustainable Procurement Network, similar organizations at the global level and ongoing innovation, we are seeking to exceed industry benchmarks and become a world-class leader in sustainable procurement.

This is achieved by incorporating weighted evaluation criteria such as those that focus on social purpose; sustainable products; community impact; diversity, inclusion and belonging; carbon neutrality; water reduction and product circularity. The minimum target weighting applied to sustainable criteria is five per cent, with the intent to increase in subsequent years.

### SUPPLIER ENGAGEMENT AND SUPPLY CHAIN ESG RISKS

As part of the Vendor Risk Management (VRM) program, BCLC is piloting a due diligence questionnaire to identify ESG standards and risks as they relate to BCLC's top strategic vendors. Questions cover ESG standards, certifications and associations; ESG policies, processes and reporting; social purpose and local economic development; environmental responsibility; organizational social responsibility; supply chain social responsibility; and Indigenous reconciliation.

In the future, the team plans to develop a supplier diversity program; enhance and adapt the internal toolkit; introduce training for procurement team members; engage suppliers on social purpose; enhance ESG risk mitigation within the supply chain; as well as establish, measure and report against key performance indicators to better track performance.



# Creating a positive social impact





## Player experience

Maintaining an environment where our players gamble for good, and influence the global gambling industry to adopt our goal that no player is harmed by gambling.

Player experience, health and wellbeing is our priority—always. We understand the complexities of problem gambling. And we know it’s our responsibility to develop innovative strategies that reduce potential harm for our players. At BCLC, we strive to provide a positive player experience. We also seek to have the healthiest players in the world. That means providing tools, resources and support to foster responsible gambling, and maintaining high standards that reinforce our position as a trusted industry brand.

### PLAYER HEALTH

BCLC strives to keep gambling fun and have the healthiest players in the world by providing information and tools that support responsible gambling, applying high standards of care and providing support for our players while positively influencing the gambling industry as a whole.

With more than 95 per cent of our employees confident in this player health ambition, we know our workforce is committed to prioritizing our players’ wellbeing, now and into the future.

Our player health commitments:



1. Informed decisions



2. Positive play



3. Referral and support



4. Safer products and environments

Our Player Health commitments drive our Player Health Strategy of encouraging, promoting and influencing healthy play – while supporting those who are experiencing problems associated with gambling. We ground these actions on:

**INFORMED DECISIONS**

**Improving sports gambling literacy.**

This year, we piloted sport-specific digital player health signage at 13 facilities. These signs showcase newly developed information to improve gambling literacy for players. Combined with GameSense information, this messaging helps communicate healthy play tips, including: setting budgets, taking breaks and accessing a GameSense Advisor (GSA) for information or support.

**POSITIVE PLAY**

**New dashboard insights.**

We also leveraged the Encore Rewards program to launch a new My Trends dashboard. This offers casino players greater visibility into their gambling activity at casinos. By showing the wins and losses, as well as time spent gambling, this dashboard helps players uncover trends, develop positive play behaviours and stay within a budget. It also provides BCLC with the foundation to add and enhance additional player health dashboard features in the future.

---

**LOTTERY PLAYER HEALTH SUPPORT STRATEGY**

In British Columbia, we have 3,500 lottery retailers. To ensure they are equipped to support positive play with customers, we are currently developing a new lottery player health support strategy that offers modular training programs for lottery retailers to recognize and respond to the players experiencing gambling harm.

Looking forward, BCLC will conduct a full review of product offerings to assess their alignment with our social purpose. Through our product review, we will be able to create a framework to ensure we know the social purpose attributes within our current and future products.

**REFERRAL SUPPORT**

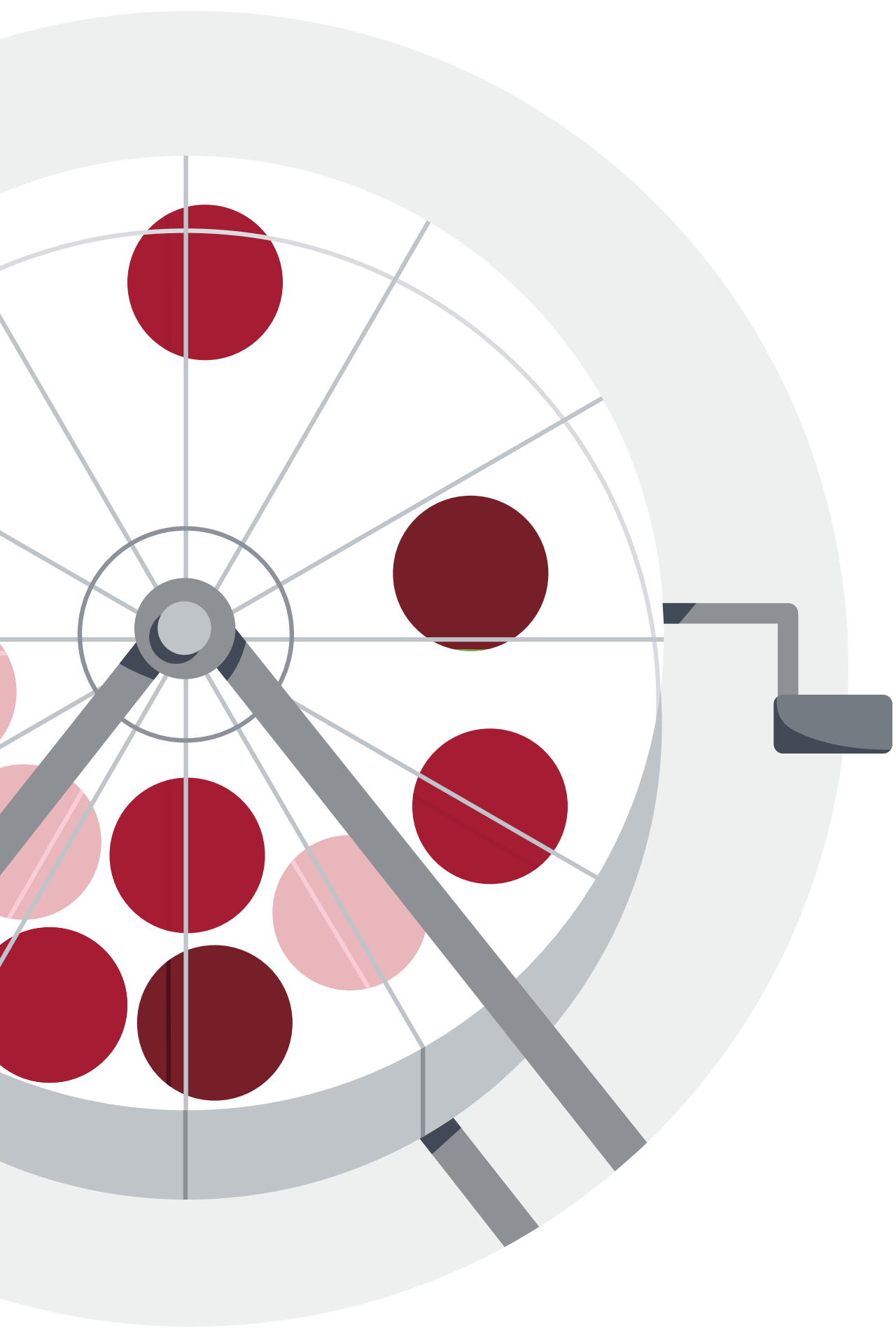
**Virtual programs: Reducing barriers to support.**

The GSA Program first piloted its virtual services as a way to offer player health support while casinos were closed due to COVID-19. As casinos re-opened, we maintained the virtual component, offering players an option to call or contact using an online chat function. We are the only jurisdiction in North America (and one of only a handful globally) to offer this service.

**This year, BCLC expanded the initiative by adding a new virtual enrollment option for the Voluntary Self-Exclusion program, made possible with the support of our Virtual GSAs.**

Players can now self-exclude from gambling facilities by making an appointment to speak with a Virtual GSA. The opportunity to enroll virtually has helped to reduce barriers for players, given the added layer of discretion. We will continue offering enrollment both onsite at facilities, as well as virtually in the future.





## PLAYER HEALTH PERFORMANCE DATA

The Problem Gambling Severity Index (PGSI) is a self-reported, standardized measure of assessing at-risk gambling behaviours. It is a tool used globally based on research of common signs and consequences of problematic gambling. Measuring PGSI allows us to monitor the proportion of high-risk players in our player base.

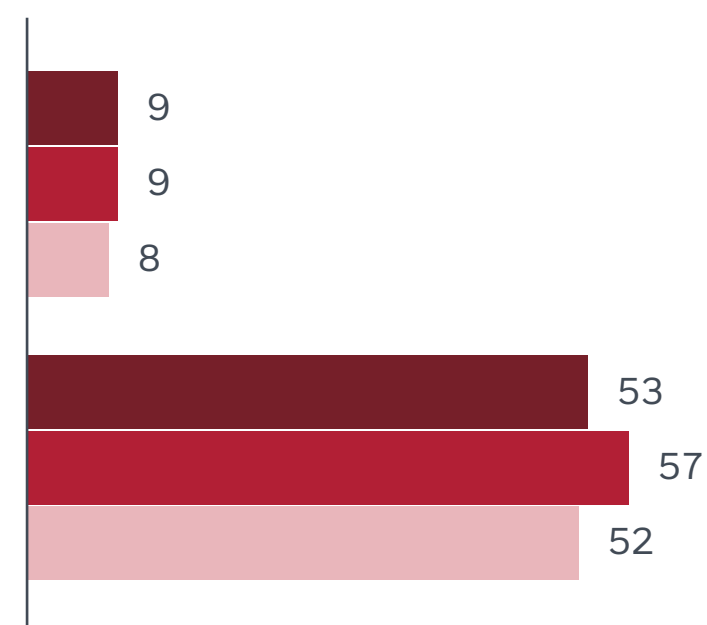
In 2021/22, the PGSI score was nine per cent – two per cent higher than target. This is mostly attributed to the change in casino player behaviour. Since the reopening of casino facilities, BCLC observed that casino players were exhibiting higher PGSI scores compared to the pre-pandemic scores. BCLC is managing this increased player health risk and monitoring these changes to understand if this shift is a temporary reaction to the reopening after 18 months of closure, or whether a more permanent change has happened.

Improving PGSI scores is a long-term strategy and it remains an important priority as we work to renew our next Player Health Strategy.

### Player Health Strategy

■ 2021/22 ■ 2020/21 ■ 2019/20

**PERCENTAGE OF BCLC PLAYERS WHO SCORED HIGH RISK ON THE PGSI<sup>1</sup>**  
(Unit: %)



**PERCEPTION OF GAMBLING IN B.C. CASINOS BEING SAFE AND SECURE<sup>2</sup>**  
(Unit: %)



Reporting period: Player health data covers the fiscal year.

<sup>1</sup>Continuous tracking survey conducted online by a third-party research professional. Study uses market research industry standard techniques to randomize the sample while retaining gender, age and regional balance that is consistent with B.C. population figures available from Statistics Canada's Census. To qualify for these measures, a respondent will need to have played at least one BCLC game in the past year.

<sup>2</sup>Continuous tracking survey conducted online by a third-party market research professional. The study uses market research industry standard techniques to randomize the sample, while retaining a gender, age and regional balance that is consistent with B.C. population figures available from Statistic's Canada Census. Population base used – 2016 Census B.C. 19+.

### PRIVACY AND SECURITY: SAFEGUARDING STAKEHOLDERS

We are committed to protecting personal information through fair, accountable and accessible strategies – including player data. These three pillars support BCLC's ability to fulfil privacy and security obligations, and to meet requirements of the *Freedom of Information and Protection of Privacy Act, British Columbia (FIPPA)*. The integrity of our games is paramount. We want our players to feel secure in the knowledge that every casino game, lottery ticket and online gambling experience represents a fair chance to win.

BCLC has dedicated privacy and security teams. All complaints or requests submitted to BCLC surrounding privacy and security are taken seriously and investigated. To ensure trustworthy security practices, BCLC employees undergo mandatory online privacy awareness training and regular compliance reviews to validate that the required training has been completed by each employee, on schedule.

BCLC implements comprehensive measures to safeguard players from cyber attacks by protecting systems, networks, programs, devices and data. In the future, we will continue to invest in privacy and security resources and technology to ensure high-level protection remains in place. Explore our privacy policy to learn more:

[PRIVACY POLICY](#)

# Employee wellbeing

Fostering a workplace where our employees have meaningful work and healthy work lives.

People bring our organization — and our social purpose — to life. We are steadfastly committed to creating a positive culture for our people at BCLC. We engage them by building employee experiences around our values and creating meaningful opportunities for everyone to learn, grow and develop.

## DIVERSITY, INCLUSION AND BELONGING

We are dedicated to diversity, inclusion and belonging (DI&B). This core value reflects the diversity of the communities we serve and unlocks the potential of our workforce. Prioritizing diversity and inclusion is a vital business practice to ensure that we create an environment where everyone feels they belong. It has elevated our collective thinking and is essential to attracting and retaining the best people.

BCLC’s DI&B Policy guides our day-to-day practices, centred around four strategic pillars:



Diversity, inclusion and belonging are integrated into day-to-day operations at BCLC and through our community in the following ways:

### AMONG OUR LEADERSHIP

The executive team has participated in a wide array of initiatives and forums on topics that include intersectionality, mental health and Pride.

### THROUGH OUR RECRUITMENT

This year, BCLC’s people recruitment team focused on targeted outreach and engagement to build a more diverse talent pool. We updated our corporate careers website, external employment websites and job postings to highlight our social purpose and commitment to DI&B, such as providing information around the various types of accommodations and programs offered, encouraging diverse candidates to apply.

### FOR OUR EMPLOYEES

As an employer, our goal is to create an environment free of discrimination and open to diverse perspectives where all employees feel they are seen, heard and belong. This year, we created two new employee resource groups to strengthen inclusion and eliminate barriers:

#### INDIGENOUS EMPLOYEE RESOURCE GROUP

Supports the development of Indigenous knowledge, learning and awareness as part of broader efforts to strengthen culture and fuel career growth for all.

#### ACCESSIBILITY EMPLOYEE RESOURCE GROUP

Identifies DI&B gaps and builds solutions to improve the employee experience for differently abled persons.

What’s more, BCLC requires all employees to go through mandatory, annual respectful workplace training. We have organized several impactful learning opportunities to build understanding and awareness around important topics such as Human Rights Day, Black History Month and International Day for the Elimination of Racial Discrimination, among others. People leaders were also offered learning opportunities on inclusive leadership and conscious allyship, an effort to actively and intentionally promote and advocate a culture of inclusion by understanding privilege and systemic inequalities.



### ACROSS OUR PLATFORMS

Enhancing our employee resources to reflect the diverse nature of our workforce helps us better understand our current state, as well as identify and address barriers to inclusion and belonging. Last year, BCLC introduced a self-identification portlet. This update to our existing employee database enables the self-reporting of employee disability, gender and sexual identity, as well as racial and ethnic identity. By the end of this past fiscal year, close to 60 per cent of employees had self-identified in the portlet. In the future, we will use this information to disclose information on the diversity of our workforce more accurately and to ensure that we are meeting the diverse needs and expectations of our people.

In the last year, BCLC also launched an initiative to address systemic barriers and enable BCLC employees to update their name to their chosen name across multiple key systems within the organization. This initiative is gender affirming for Two-Spirit, lesbian, gay, bisexual, transgender, queer and/or questioning, intersex, asexual and additional sexual orientations and gender identity (2SLGBTQIA+) employees. It provides all employees with the option to select the name (different from the individual's legal first name) that they wish to be known by.

### IN THE COMMUNITY

This year, BCLC took a leadership role in creating an All Crowns Accessibility, Diversity and Inclusion Dialogue Network. More than 23 Crown agencies are part of the network. Additionally, BCLC is organizing and hosting a first of its kind, day-long All Crowns Diversity and Inclusion Conference in November 2022 at BCLC's Vancouver office. More than 75 Crown representatives are expected to participate. We also introduced a requirement for our casino and community gaming centre service providers to report on their diversity and inclusion initiatives as part of their annual business plans.



## EMPLOYEE HEALTH, SAFETY AND WELLBEING

### REMOTE WORK

As new COVID-19 waves emerged throughout the year, we continued to navigate the pandemic and support our employees. The health and safety of all employees has been of utmost importance throughout the pandemic. In November 2021, we implemented a COVID-19 vaccination requirement, while also offering hybrid working options.

Our Working Remotely program is now fully implemented, and employees have the option of working anywhere in B.C., based on operational requirements. The people and culture team provided leaders with initial training in guiding hybrid work teams. This included roles and responsibilities, performance and conduct management, managing individual change, mindset shifts, one-on-one meetings, clear communication, information on reassessing workflows and meeting tips. We will offer additional learning series on this next year.

### EMPLOYEE WELLBEING

Our psychological health and safety advisory team is conducting a workplace review as a first step toward implementing components of the National Standard of Canada for Psychological Health and Safety in the Workplace. BCLC has also implemented a health and wellness strategy that supports social, career, physical mental and financial wellness. Key features of this program include leader and employee training, as well as expanded paramedical coverage for mental health care.

## MEANINGFUL EXPERIENCE

Throughout the year, BCLC hosted many learning opportunities for employees, including the delivery of a “finding your personal purpose” workshop to help employees connect their personal purpose to BCLC’s social purpose. We are working to embed social purpose into events that occur during the employee lifecycle at BCLC – creating win-wins throughout the BCLC employee journey. This will translate to social purpose and DI&B commitments included in job postings. We are also adding questions related to social purpose to our interview processes (i.e., discussion surrounding how personal and work values align to BCLC’s social purpose and DI&B commitments).



## Community impact

**Deepening our connection, commitment and support for B.C.’s communities, positioning BCLC as a stronger force for good.**

**Giving back is our be all, end all. At BCLC, we’ve established our social purpose with that principle in mind. Whether through funds generated, communities supported or change cultivated: the impact we create is at the forefront of every strategy, plan and action we take.**

### COMMUNITY ENGAGEMENT

BCLC has a responsibility to give back to British Columbians by generating revenue that goes back to the Province of B.C. that supports healthcare, education and important community programs. The Province shares a portion of the revenue generated from casinos gambling with the local governments that host these gambling facilities (including the City of Kamloops). A Thompson Rivers University study revealed the significant impacts BCLC has had in that community over 35 years:

Click the tablet to learn more about our Kamloops impact.

Our head office impact:

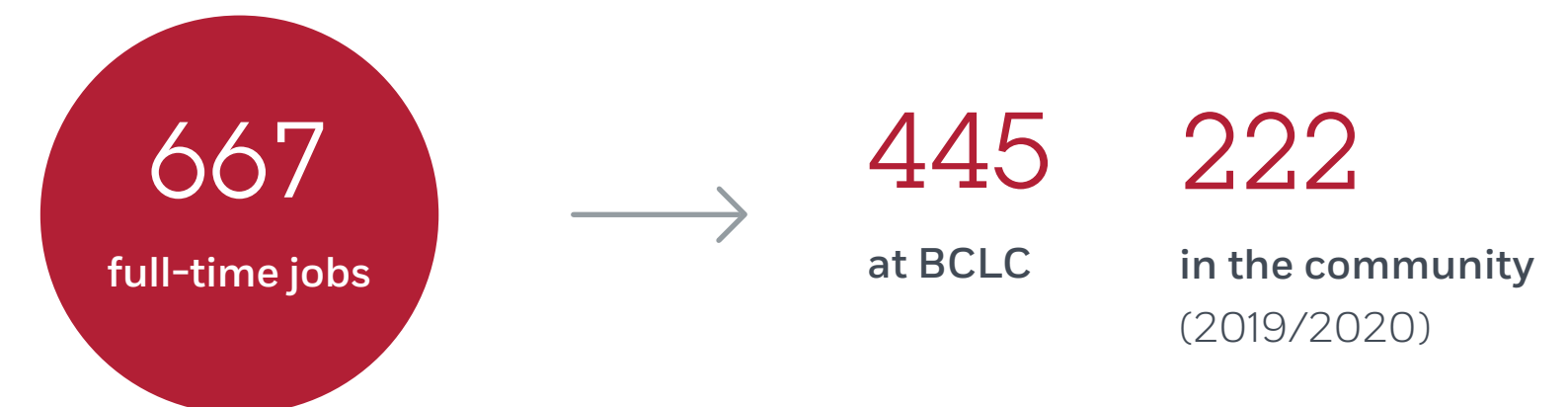
**\$2.2 billion**

in economic and social development contributions in Kamloops.

**\$373 million**

in social contributions to the Kamloops community.

Total estimated employment impact in Kamloops:



**For every two full-time jobs at BCLC’s Kamloops office, one more is created in the community** through economic spin-offs.

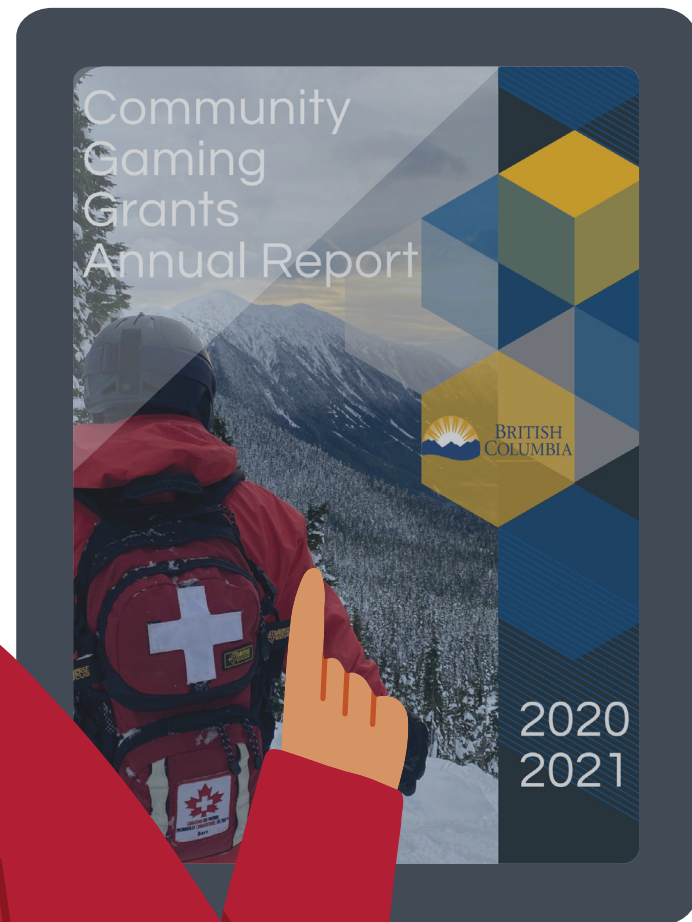
Revenue generated by gambling goes back to the province to help fund important services across B.C., benefitting communities in numerous ways. Annually, the Province of B.C. supports not-for-profit organizations through its Community Gaming Grants program.



### LOVE LOCAL B.C.

For 12 days in late 2021, BCLC ran Love Local B.C., an online fundraiser.

As part of the initiative, BCLC sponsored the purchase of a number of items and gift cards from local businesses in B.C., and made them available on the Love Local B.C. fundraising page. When an item was purchased or bid on, the funds were directed to a local food bank organization. In total, BCLC helped raise more than \$20,000. Additionally, BCLC initiated physical food drives onsite at casinos, resulting in over 2,000 lbs of donations.



#### CAMPBELL RIVER

**Goal:** The Campbell River and North Island Transition Society (CRNITS) provides services to women who are at risk of abuse or violence, and their children.

**Result:** Last year, the organization received a Community Gaming Grant of \$97,000 from the Province of B.C. This provided funding for a one-on-one supportive counselling program that helps women experiencing intimate relationship difficulties, or those dealing with addiction issues.

#### PRINCE GEORGE

**Goal:** The Handy Circle Resource Society (HCRS) provides a resource centre for individuals with disabilities and special needs.

**Result:** Last year, HCRS received a Community Gaming Grant of \$73,000 from the Province of B.C., allowing the organization to provide services related to transportation, parking, medical aid and more.

#### CRANBROOK

**Goal:** Blue Lake Forest Education Society (BLFES) used a portion of its \$48,000 Community Gaming Grant from the Province of B.C. to support the hiring of additional staff, and help attendees suffering from pandemic-related mental health and stress challenges.

**Result:** The funding enabled BLFES to reduce attendance fees, allowing more people in the Cranbrook community access to its services.

#### VERNON

**Goal:** The Upper Room Mission (URM) provides valuable food security to community members.

**Result:** Last year, URM received a Community Gaming Grant of \$60,000 from the Province of B.C. This helps the organization serve an average of 50,000 meals annually.

#### SQUAMISH

**Goal:** The Squamish Climate Action Network (SCAN) has a mission to empower Squamish with just and actionable changes to the climate crisis through education, policy development and systems change. The Network addresses four key strategic priorities: strengthening and providing an inclusive food system, reducing community energy consumption and dependency on fossil fuels, achieving zero waste and establishing a Board of Directors to ensure security and sustainability.

**Result:** In 2021, SCAN received a Community Gaming Grant of \$11,200 from the Province of B.C.

Click the tablet to learn more about our social impact.

## CRIME AND ANTI-MONEY LAUNDERING STRATEGIES

As the organization responsible for conducting and managing commercial gambling provincewide, BCLC is committed to safeguarding and protecting the industry from potential criminal activity and money laundering.

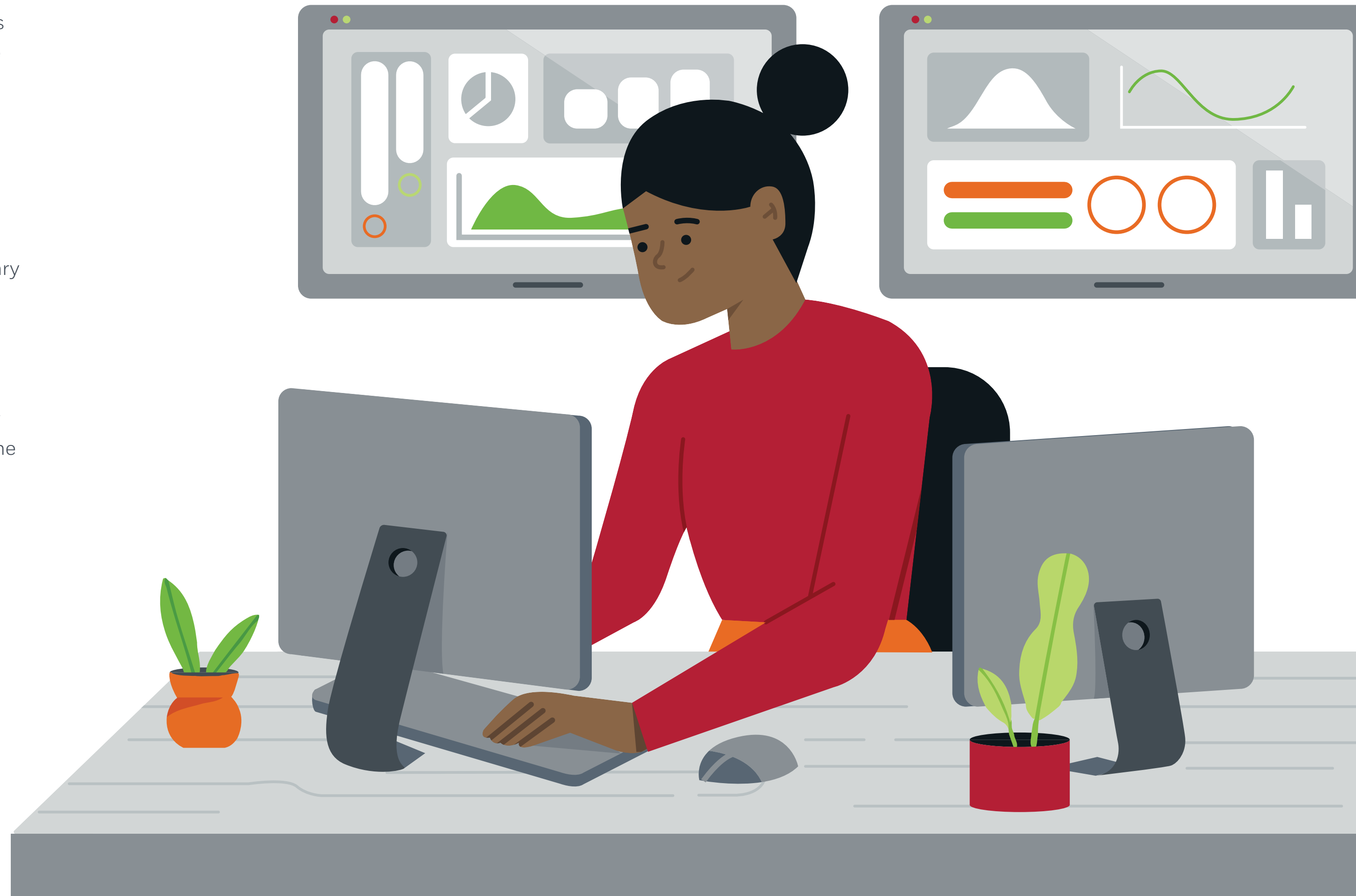
We maintain robust anti-money laundering (AML) policies and processes that allow us to take necessary measures and appropriate action when potential criminal and/or money laundering activity is detected in and around casinos and PlayNow.com. One of BCLC's main roles and responsibilities within the AML regime is to serve as the reporting entity for the casino sector; meet the provisions of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act (PCMLTFA)*; and execute a compliance program for all casinos in the province.

### EMPLOYEE TRAINING

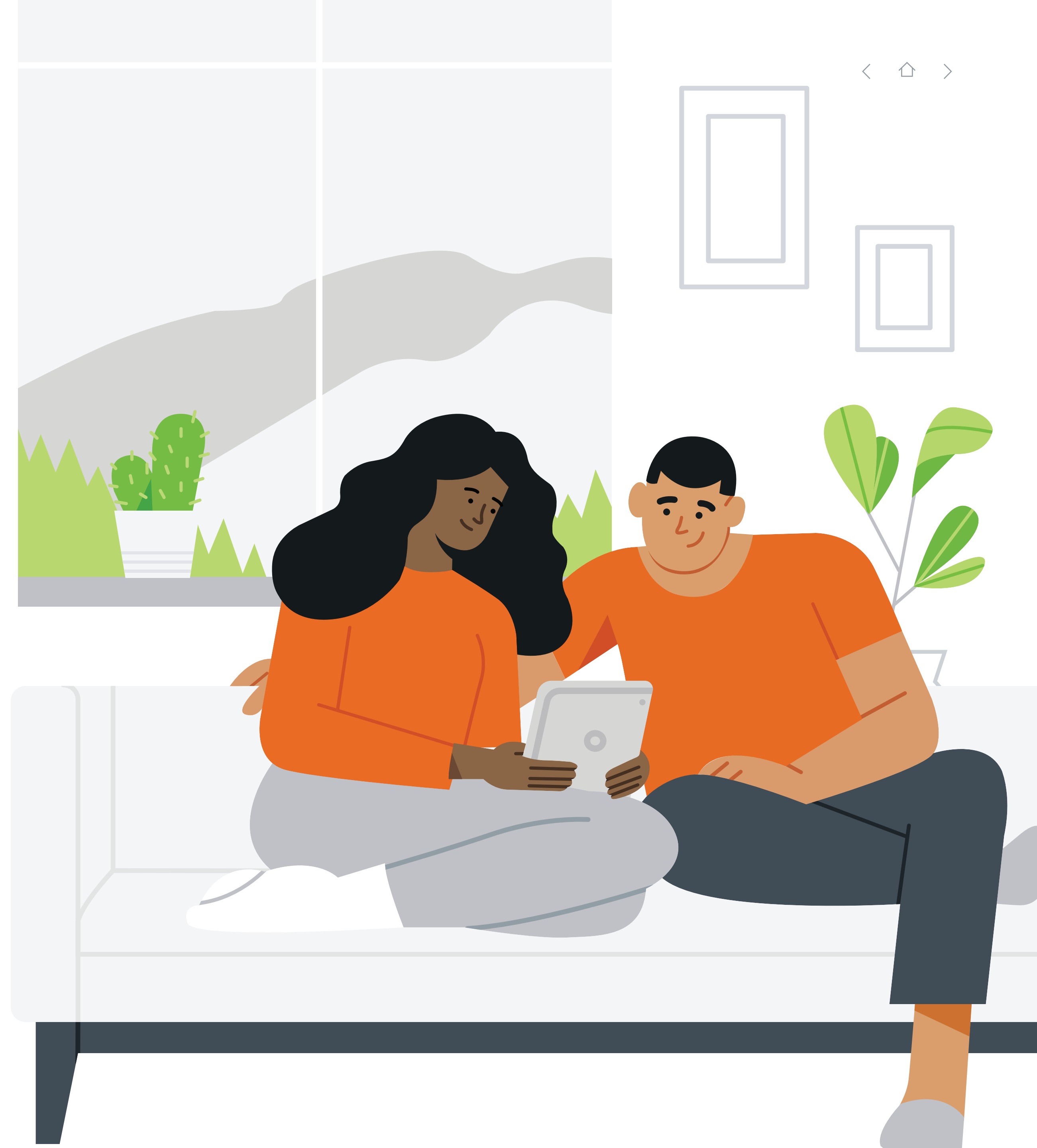
BCLC requires that all employees receive mandatory AML compliance training as part of their onboarding process. The training is comprised of online and supplemental face-to-face training. Training is refreshed on a regular basis and updated to reflect any new AML requirements that may have been introduced.

### ACTIONING THE FINDINGS FROM THE CULLEN COMMISSION

In May 2019, the B.C. government announced the Commission of Inquiry into Money Laundering in British Columbia. The hearings commenced in February 2020 and Commissioner Austin Cullen's final report was released to the public in May 2022. While the report reflected on our industry's recent success in addressing money laundering, only four of the 101 report recommendations addressed the casino sector specifically. The final report will help BCLC to determine an action plan and support the government's work in responding to recommendations.



# Governing in the public interest



# Indigenous Reconciliation

## Decolonizing BCLC’s operations and fostering equitable relationships.

Committing to our social purpose means committing to true and lasting reconciliation. Most of British Columbia lies on unceded territory. Our province’s history is steeped in a colonialism which created immeasurable harms. At BCLC, we are aligning to the United Nations Declaration for the Rights of Indigenous Peoples (UNDRIP) and creating opportunities to address the Truth and Reconciliation Commission’s call for immediate action. We have embarked on a journey to decolonize our operations, while creating a better understanding of, and relationships with, Indigenous Peoples and communities. We are also committed to addressing the social impacts of offering gambling products in and near Indigenous communities. Through each of these focus areas, BCLC is reaffirming our continued dedication to ESG, with Indigenous reconciliation being a key component of social change.

We are establishing a Senior Manager, Indigenous Relations and Reconciliation (reporting to the director of social purpose and community and stakeholder engagement). This individual assumes responsibility for the implementation and ongoing alignment of Indigenous policies, programs and communications across BCLC. They also build relationships, consult and collaborate with Indigenous communities, and non-Indigenous stakeholders.

BCLC has established the Indigenous Employee Resource Group to function as part of the DI&B Committee, managed and supported by the diversity, inclusion and belonging team. The group is intended to be of value and benefit to both the individuals of the group, and to BCLC as an organization.

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### The Indigenous Employee Resource Group Mandate:

- |                                                                                                                                                                                     |                                                                                                                        |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|
| <p><b>1 IDENTIFYING</b><br/>issues and needs for DI&amp;B’s attention regarding Indigenous employees.</p>                                                                           | <p><b>3 IMPROVING</b><br/>understanding of, and responsiveness to, Indigenous employee experiences.</p>                |
| <p><b>2 DEVELOPING</b><br/>Indigenous knowledge, learning and awareness and identifying career growth and mentorship opportunities for current and future Indigenous employees.</p> | <p><b>4 STRENGTHENING</b><br/>inclusive culture, belonging and empowerment by learning and sharing best practices.</p> |
- 

### BCLC’s Indigenous Reconciliation plan is in development and expected to be in place in 2023. The plan will seek to:

- Enhance and develop cultural awareness;
- Strengthen and create relationships with Indigenous leaders;
- Increase dialogue and understanding of perspectives;
- Build mutually beneficial alliances and internal understanding;
- Align Indigenous engagement efforts with enterprise-wide goals;
- Support the province’s direction and strategy; and
- Meet and exceed any obligations in relation to the UNDRIP.

Currently, four First Nations (Adams Lake Indian Band, Squamish Nation, Ktunaxa Nation and Cowichan Tribes) have casinos on their territory and as the host local government, receive a 10 per cent share of government net income from casino gambling at the facility. Penticton and View Royal host casinos in their communities and share their government net income from casino gambling with local First Nations.



## RELATIONSHIPS AND EMPLOYEE KNOWLEDGE

BCLC is continuing its journey of Indigenous reconciliation by pursuing two main priorities:

- 1 **EDUCATING EMPLOYEES**
- 2 **ESTABLISHING & STRENGTHENING RELATIONSHIPS**

As such, our proactive education includes training and engaging employees in understanding Indigenous history, culture and the impacts of colonization; revisiting existing policies; and developing new policies. With four casinos operating on Indigenous lands and over 200 Indigenous-owned lottery retailers, we are working towards strengthening existing relationships while also establishing new ones.

Seven per cent of BCLC’s profits go to First Nations communities through the Province’s Long-Term B.C. First Nations Gaming Revenue Sharing and Financial Agreement, enacted in September 2020. This revenue sharing, which totalled \$91.2 million in FY22, is geared to provide a consistent, sustainable and long-term source of funding for First Nations to develop and strengthen their governance capacity, and to assist in closing socio-economic gaps that exist between First Nations and non-Indigenous communities in B.C.

## GOVERNANCE

**We are actively increasing Indigenous presence in our governance structure.**

Two new Indigenous Board members were appointed in the last fiscal year. Additionally, we formed a volunteer-based Indigenous Employee Resource Group, and there are plans to grow internally to continue our progress in this area.

As part of our efforts to increase employee awareness and education around DI&B, BCLC recognized the first Federal statutory holiday, National Day for Truth and Reconciliation, in September 2021 by organizing a highly attended virtual event to increase understanding of Indigenous culture, heritage, and history.

BCLC’s Board members and executive team made personal commitments to meaningful reconciliation as part of their participation in a training workshop delivered by Indigenous Corporate Training.

We also worked with PLATO Testing, an organization that provides Indigenous Peoples opportunities to gain practical experience in IT testing processes. BCLC provided a four-month internship for three participants to gain real-world experience in IT testing, which they can leverage for future employment in the field.

# Industry influence

Leveraging our influence, reach and scale to inspire the global gambling industry to become a force for good.

Collaborative efforts can transform industries for the better. The global gambling market is significant, yet ESG investment funds often overlook the industry overall.

At BCLC, we want to change that perception. By reaching across industry lines to collaborate and consult with stakeholders, we can enhance value and articulate leadership around social purpose. Working together in this way empowers us to reframe gambling from vice to virtue; one built on game innovation, player health and responsible gambling.

## INDUSTRY STANDARDS

We leverage our influence, reach and scale to inspire the global gambling industry to become a force for good. This year, some of our initiatives to work with others across the industry included:

### SUSTAINABLE BRANDS

This year, we engaged Sustainable Brands to provide a transformation roadmap, assessment analysis and recommendations against five key characteristics of a sustainable brand:

- Positive social or environmental purpose;
- System-wide brand influence;
- Regenerative operations and supply chain;
- Net-positive products and services; and
- Transparent and proactive governance.

We are now leveraging the results of this assessment to define and embed our social purpose, and establish KPIs which measure our progress.

### THE UNITED WAY

BCLC is also an active member of the United Way Social Purpose Institute. We use the Institute's Social Purpose Scorecard to guide and measure our social purpose implementation. Click below to learn more about how we're embedding purpose in our organizational DNA.

[LEARN MORE](#)

### WORLD LOTTERY ASSOCIATION

The World Lottery Summit is a bi-annual event that brings together representatives from lotteries around the world to learn best practices, share information and drive innovation. Originally scheduled to take place in Vancouver in 2020, the Summit took place in October 2022. BCLC worked with the World Lottery Association (WLA) and the North American Association of State and Provincial Lotteries (NASPL) to bring the event to life through the development of content to drive learning and innovation. With approximately 151 lottery jurisdictions in attendance, the event provided a unique opportunity to drive innovation, bring sustainability to the forefront of the discussion and highlight the positive impact of the lottery industry as a whole.



## INDUSTRY COLLABORATION

In March 2022, BCLC hosted the 10<sup>th</sup> Annual New Horizons in Responsible Gambling Conference, marking a decade of player health innovation, insight and industry thought leadership. This important annual event has brought together more than 400 researchers, industry representatives and policymakers with treatment and prevention professionals to share ideas and drive critical conversations that advance knowledge about, and support for, player health. Smaller sessions also ran during the year where a variety of curated content was presented by subject matter experts.

## DISCOVERING AND SHARING BEST PRACTICES

To seek and share best practices, and amplify our impact, BCLC has built a program to promote opensource sharing of research and learning. This includes thought leadership papers which encourage knowledge sharing within the industry.

[A recently published paper](#) unpacks what marketing looks like in a purpose-driven enterprise. The report includes insight from 11 marketing leaders in organizations that have a declared social purpose and three academic experts on social purpose organizations. The paper presents findings around the unique role marketing plays in social purpose companies, how social purpose acts as the core driver of these organizations and how they measure impact.

# Indigenous and stakeholder accountability

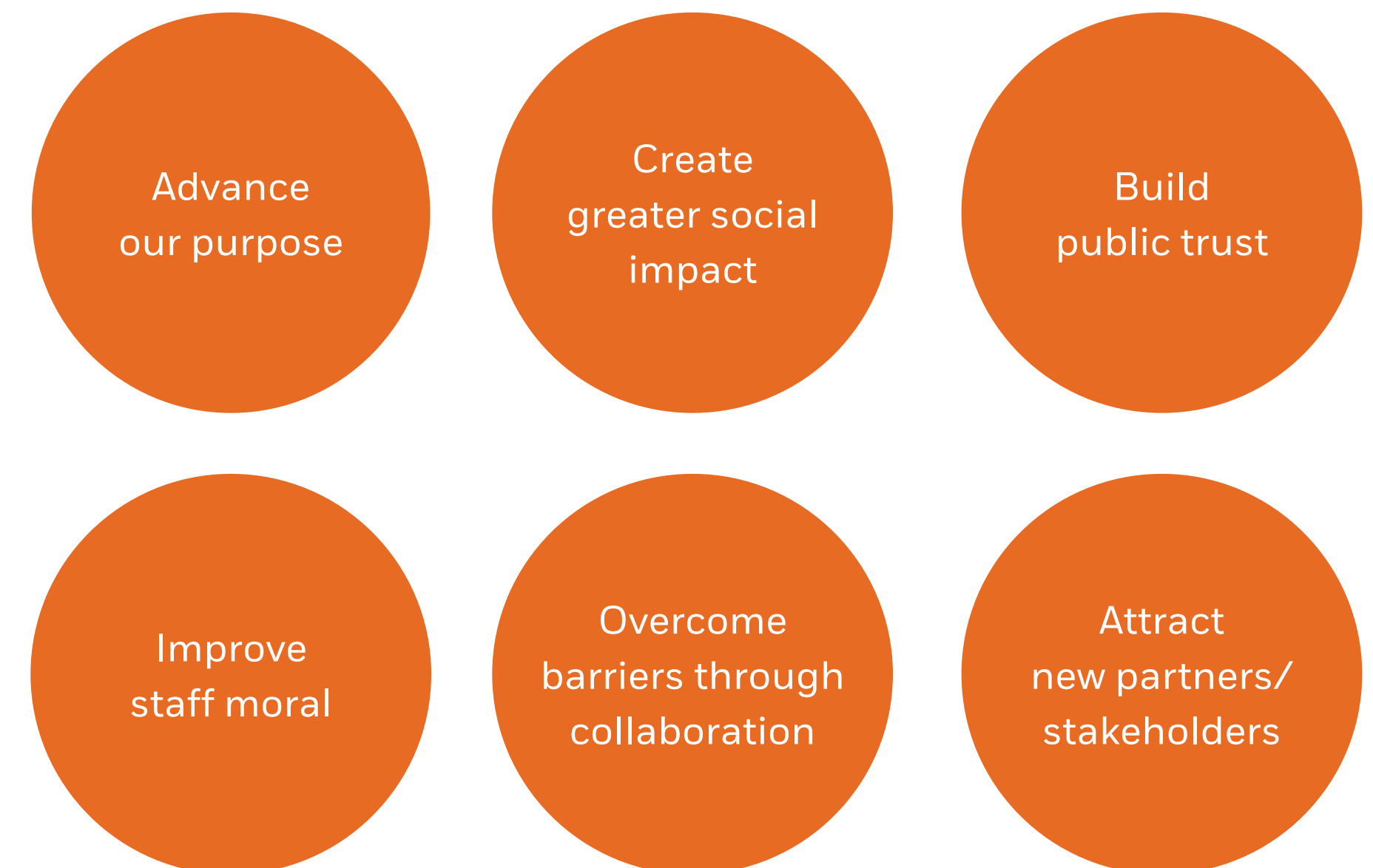
**Build transformational relationships with Indigenous people and stakeholders and embed ESG across the business.**

Indigenous and Stakeholder expectations are evolving quickly. At BCLC, we value our relationships with Indigenous peoples and our key stakeholder groups: local and provincial governments, employees, Indigenous Peoples, regulators, health authorities, business and community organizations, service providers and academics. We also see the importance of evolving our operations to create sustainable stakeholder value well beyond profits alone. And we hold ourselves accountable to that commitment in all that we do.

## INDIGENOUS AND STAKEHOLDER GOVERNANCE

BCLC can only achieve its social purpose through collaboration. We are a distributed enterprise with operations spread across industries and partners. Our success depends on having strong, mutually beneficial relationships with Indigenous peoples and stakeholders.

We know that stronger Indigenous and stakeholder engagement and collaboration can unlock a wealth of benefits, and help to:





BCLC is working to define Indigenous and stakeholder engagement principles as a purpose-led organization and produce an updated stakeholder list with a ranking of current and future stakeholders. The list will emphasize greater diversity within BCLC’s stakeholder engagement.

To help guide our efforts, we are building an Indigenous and Stakeholder Engagement Framework. This Framework will:

- Define and prioritize BCLC’s stakeholders;
- Identify Indigenous peoples and stakeholders BCLC can collaborate with on its social purpose;
- Set out the risks and opportunities of effective Indigenous and stakeholder relationships;
- Explore the barriers to effective Indigenous and stakeholder engagement and collaboration and opportunities to overcome them;
- Identify Indigenous and stakeholder success metrics;
- Specify elements of the Indigenous and Stakeholder Engagement Framework and engagement strategies;
- Elaborate on the role of the governance and social purpose committee and Board members; and
- Set out how the Board will understand the Indigenous and stakeholder implications of its decisions.

BCLC is also in the process of identifying ways in which we will measure the success and effectiveness of our Indigenous and stakeholder relationships. We will also collaboratively establish measures and metrics with Indigenous peoples and stakeholders, to be shared transparently in 2023.

## **TRANSPARENCY AND ACCOUNTABILITY**

BCLC is committed to being open and transparent about our business. We proactively publish our corporate reports, freedom of information requests, policies, Board meeting minutes, President and CEO expenses and more. This ESG report is an additional platform to demonstrate transparency and accountability in relation to all aspects of our business, our accomplishments and the challenges we face.

In dedicated sections of our corporate website (beyond our annual service plans and reports), we provide findings from our audits, accountability reports covering how we conduct our business, community impact reports covering where gambling proceeds are invested, expense reports, freedom of information request and our responses, policies, and statistics relating to our player health program.

[EXPLORE OUR PROACTIVE DISCLOSURES](#)

# Appendix

**Climate change**

CLIMATE CHANGE	UNIT	2021	2020	2019
<b>EMISSIONS</b>				
<b>TOTAL EMISSIONS</b>	tCO <sub>2</sub> e	810	817	907
<b>ACTIVITY DATA FOR SIGNIFICANT EMISSION SOURCES</b>				
<b>NATURAL GAS</b>	GJ	14,367	14,116	14,414
<b>ELECTRICITY</b>	GJ	23,373	23,655	25,218
<b>FLEET GAS</b>	L	11,080	11,081	39,132
<b>OFFICE PAPER</b>	PKG	1,609	1,234	3,012
<b>BUILDING ENERGY PERFORMANCE INDEX (BEPI)</b>				
<b>KAMLOOPS</b>	ekWh/ft <sup>2</sup>	63	Nd	Nd
<b>VANCOUVER</b>	ekWh/ft <sup>2</sup>	12	Nd	Nd
<b>BUILDING CERTIFICATIONS</b>				
<b>LEED</b>	No.	1	Nd	Nd
<b>BOMA</b>	No.	0	Nd	Nd
<b>PASSIVE HOUSE</b>	No.	0	Nd	Nd
<b>VEHICLE REPLACEMENT PLAN</b>				
<b>TOTAL NUMBER OF VEHICLES IN BCLC FLEET</b>	No.	13	Nd	Nd
<b>ELECTRIC VEHICLES</b>	No.	–	Nd	Nd
<b>LOW EMISSION VEHICLES</b>	No.	2	Nd	Nd
<b>TRANSPORTATION EMISSIONS</b>				
<b>FLEET GAS</b>	L	11,080	11,081	39,132
<b>MOBILE EMISSIONS FROM FLEET (MOBILE COMBUSTION)</b>	tCO <sub>2</sub> e	18	Nd	Nd
<b>REDUCTION IN MOBILE EMISSIONS ROM FLEET (MOBILE COMBUSTION)</b>	%	28	Nd	Nd

Nd represents data not previously disclosed. As BCLC improves ESG Reporting in the future, we plan to provide more years of data for comparisons, including a breakdown of our energy and emissions data and sources.

Data covering climate change covers the calendar year, consistent with reporting requirements from the government.

Data covers energy and emissions from BCLC operations, including office buildings and owned fleet.

For more information, please see the [Climate Change and Accountability Report](#), as published on our Reports and Disclosures pages.

**Circular economy**

CIRCULAR ECONOMY	UNIT	2021	2020	2019
<b>WASTE GENERATED</b>				
TOTAL WASTE GENERATED	Tons	83.8	Nd	Nd
<b>WASTE BY DISPOSAL TYPE</b>				
LANDFILL	Tons	15.6	Nd	Nd
DIVERTED FROM LANDFILL	Tons	68.2	Nd	Nd
RECYCLABLE	Tons	59.7	Nd	Nd
COMPOSTABLE	Tons	3.5	Nd	Nd
E-WASTE (RECYCLED OR RESOLD)	Tons	5.1	Nd	Nd
DIVERSION RATE	%	81.4	Nd	Nd

Data covering circular economy covers the calendar year (January - December), consistent with reporting requirements from the government.

Circular economy data covers both our Kamloops headquarters and Vancouver offices and their associated wastes.

BCLC engages with authorized business partners to dispose recyclable, compostable and electronic waste. For the Vancouver office, the property management company manages all waste disposal, which is collected and transported to a universal collection point within the building complex. Figures in the table above are based on amounts procured by material type and their ability to be recycled, composted, etc.

Landfill is defined as materials that cannot be reused, recycled or recovered; recyclable is defined as plastic, cardboard, glass, metallic packaging, paper, etc.; compostable is defined as organic materials such as food scraps and yard waste; and e-waste covers electronic devices such as desktops, monitors, notebooks, printers, servers, phones, etc.

**Sustainable procurement**

SUSTAINABLE PROCUREMENT	UNIT	2021/22	2020/21	2019/20
PERCENTAGE OF SOURCING TEAM STAFF WHO RECEIVE TRAINING ON SUSTAINABLE PROCUREMENT POLICY AND ESG CRITERIA	%	100	Nd	Nd
PERCENTAGE OF SOURCING EVENTS (RFX) THAT HAVE INCLUDED SUSTAINABLE CRITERIA	%	87	Nd	Nd
PERCENTAGE OF SOURCING EVENTS (RFX) THAT HAVE SCORED ABOVE AVERAGE ON SUSTAINABLE CRITERIA	%	92	Nd	Nd
AVERAGE WEIGHT APPLIED TO SOCIAL CRITERIA	%	6.8	Nd	Nd

Data covering sustainable procurement covers the fiscal year.

Sustainable procurement data covers the fiscal year.

**Player health**

PLAYER EXPERIENCE	UNIT	2021/22	2020/21	2019/20
PERCENTAGE OF BCLC PLAYERS WHO SCORED AS HIGH RISK ON THE PROBLEM GAMING SEVERITY INDEX (PGSI) <sup>1</sup>	%	9	9	8
PERCEPTION OF GAMBLING IN B.C. CASINOS BEING SAFE AND SECURE <sup>2</sup>	%	53	57	52

Data covering player health covers the fiscal year.

<sup>1</sup>Continuous tracking survey conducted online by a third-party research professional. Study uses market research industry standard techniques to randomize the sample while retaining gender, age and regional balance that is consistent with B.C. population figures available from Statistics Canada's Census. To qualify for these measures, a respondent will need to have played at least one BCLC game in the past year.

<sup>2</sup>Continuous tracking survey conducted online by a third-party market research professional. The study uses market research industry standard techniques to randomize the sample, while retaining a gender, age and regional balance that is consistent with B.C. population figures available from Statistic's Canada Census. Population base used – 2016 Census B.C. 19+.

**Employee wellbeing**

EMPLOYEE WELLBEING	UNIT	2021/22	2020/21	2019/20
<b>DIVERSITY, INCLUSION AND BELONGING (DI&amp;B)</b>				
EMPLOYEE SENSE OF BELONGING, AS INDICATED BY SURVEY DATA <sup>1</sup>	%	78	81	Nd
<b>EMPLOYEE HEALTH, SAFETY AND WELLBEING</b>				
NUMBER AND ENROLLMENT IN VOLUNTARY HEALTH PROGRAMS (SAFETY, MENTAL HEALTH, WELLBEING) <sup>2</sup>	No.	178	Nd	Nd
EMPLOYEE HEALTH AND WELLBEING, AS INDICATED BY SURVEY DATA	%	78	Nd	Nd
ANNUAL SPEND ON EMPLOYEE HEALTH PROGRAMS	\$	5,268,377	Nd	Nd
<b>MEANINGFUL WORK</b>				
PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS	%	100	Nd	Nd
EMPLOYEE CAREER ADVANCEMENT INTO LEADERSHIP POSITIONS <sup>3</sup>	%	11	Nd	Nd

Data covering employee well-being covers the fiscal year.

<sup>1</sup>Completed annual engagement survey in early 2022. Reporting on question: "I feel like I belong at BCLC."

<sup>2</sup>Employees are actively encouraged to make use of BCLC's employee and family assistance program, which provides psychological counselling, legal support, marriage support, and among a wide range of services.

<sup>3</sup>BCLC strongly encourages development of our employees through development conversations and goals, a variety of training and development opportunities, and a preference toward internal candidates. Metric is calculated based on the total number of promotions during the financial year, divided by the number of employees, multiplied by 100.

**Community**

COMMUNITY IMPACT	UNIT	2021/22	2020/21 <sup>1</sup>	2019/20
<b>NET INCOME GENERATED</b>	\$ million	1,313.7	430.2	1,346.9
<b>GOVERNMENT DISTRIBUTION</b>				
<b>GOVERNMENT OF CANADA</b>	\$ million	11.2	10.6	10.5
<b>GOVERNMENT OF B.C.</b>	\$ million	1,302.5	419.6	1,336.4
<b>GOVERNMENT OF B.C. ALLOCATIONS</b>				
<b>CONSOLIDATED REVENUE FUND</b>	\$ million	826.9	78.9	821.3
<b>HEALTH SPECIAL ACCOUNT</b>	\$ million	147.2	147.2	147.2
<b>COMMUNITY GAMING GRANTS</b>	\$ million	139.8	139.8	140.0
<b>B.C. FIRST NATIONS GAMING REVENUE SHARING</b>	\$ million	91.2	29.4	93.5
<b>HOST LOCAL GOVERNMENT PAYMENTS</b>	\$ million	66.9	0.0	93.5
<b>GAMING POLICY ENFORCEMENT BRANCH</b>	\$ million	15.9	16.1	15.9
<b>HORSE RACING PURSE ENHANCEMENTS</b>	\$ million	7.1	0.0	10.4
<b>RESPONSIBLE GAMBLING EDUCATION AND SERVICES</b>	\$ million	4.5	4.9	5.6
<b>JOINT ILLEGAL GAMING INVESTIGATION TEAM</b>	\$ million	3.0	3.0	3.0
<b>LOCAL ECONOMIC DEVELOPMENT INITIATIVES</b>	\$ million	0.0	0.0	6.0

<sup>1</sup> 2020/21 net income was restated from \$429.9 million to \$430.2 million in 2021/22 due to a change in accounting policy. This restatement did not change the government distributions, which still total \$429.9 million for 2020/21.

nd represents data not previously disclosed. As BCLC improves ESG Reporting in the future, we plan to provide more years of data for comparisons.

Data covering community impact covers the fiscal year.

Revenues distributed to the Government of B.C. includes distribution to the provinces Joint Illegal Gaming Investigation Team (JIGIT) and the Gaming Policy and Enforcement Branch (GPEB).

For more information, please see the Community Impact Report, as published on our [Reports and Disclosures pages](#).

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